

12

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P R E F A C E.

THE following sheets were written at sea, during my passage from India to England. When I began them I had no other design than to preserve and concentrate all the miscella-

miscellaneous transactions of the
three last months of my admini-
stration, while they were yet re-
cent in my remembrance.

In the course of this review, I
was imperceptibly led to take in a
larger scope, as I have stated in the
work itself; and it has acquired such
a degree



a degree of importance in the judgment of those who have perused it, (authorities of which I should speak with the highest veneration on any occasion, but one which like the present could not but reflect a praise on myself;) that I have been induced to cause a few printed copies to be struck off,

off, for the private information of
such persons as from their official
situations are intitled to the know-
ledge which they may be thought
to contain.

WARREN HASTINGS.

Bath, Jan. 14, 1786.

ON the 20th of March 1783, I addressed a letter to the Court of Directors, in which I apprised them of my intention to resign the service of the Company, leaving a sufficient interval for the appointment of a successor to my office. Had I formed my opinion of the propriety of this intimation on any estimate of my own consequence, the total disregard which was shewn to it might have taught me an humbler lesson. But in truth, I had simply considered it as a point of common obligation; and was

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convinced

convinced in my own mind; that the member of the council who stood next to me in the regular line of succession, was at least as likely to fill the station with ability as any person, wanting the same local experience, whom the chance of competition might substitute in his stead; for he had been bred and practised in the habits of business, and his manners were conciliating. It would be therefore, at this time, superfluous to assign any reasons for the resolution which I had taken. Yet these were detailed at large in my letter; and if they produced no other effect, they certainly were, as they were intended, a pledge to my first constituents for the performance of the declaration which I had thus formerly made, if no circumstance intervened which

might



might lessen the weight of it as an engagement, or which, as a superior claim, might require it to be suspended. In effect, such a contingency did actually come to pass within a very few months after the date of my letter. This originated in an appeal which was made by the Nabob Vizir and his ministers, against the acts of Mr. *Bristow*, the Company's resident at his court, and impelled me, by every tie of justice, honour, and publick duty, to sacrifice every consideration that regarded myself alone, if necessary, for his redress: and that my stay for this purpose was necessary, I may with safety at this time affirm, since it is demonstrable, that the purposes which were the professed objects of my stay have been at-

tained, and could not have been attained without it.

I had fixed upon the beginning of last year for my departure to England. This event determined me to postpone it to another season; and I may be allowed on such an occasion to appeal for the evidence, and the strongest evidence that could be produced, of the rectitude of my motive, even to an argument of private relation to my own interest and feelings, but immediately connected with the resolution I had taken; since it compelled me to submit to a privation of all domestick society, and to an expence which must be unavoidably repeated whenever I should prosecute the design of my own departure to England, and which my fortune could ill afford.

It was not incumbent upon me to apprise the Court of Directors formally of this change of my determination, or of the ground of it. Both were obvious. But the original obligation still remained, subject to the reversion of the same circumstances under which it was imposed. My return from *Lucnow*, after a long and successful application ^{the reestablishment of} to the affairs of the province of *Oude*, and the due authority of its ruler, replaced me in the situation from which I had been drawn by the necessity of that attendance. It was, therefore, my first care to provide for the execution of the engagement dependant on it, after my arrival.

About the same instant of time advices were received from England of a bill de-

pending in Parliament for the more effectual regulation of the government of the British possessions in India; and as I had deemed it a proper respect to the Court of Directors to refer myself to their pleasure for my continuation in the service, if they should think me deserving of being entrusted with the powers which I had stated as necessary to enable me to conduct it, I held it proper to wait the result of this intelligence, in the possibility of its producing that change in the administration of Bengal, which I had prescribed as the condition of my stay. Of this I advised the Court of Directors, in a letter which I wrote to them, dated the 22d of November, by the Surprise; repeating my former declaration, and informing them of my intention to wait the arrival of the

next

next dispatches which I had been made to expect with the Fox packet, which was waiting at the date of the last advices to bring the orders which would be required with the publication of the bill impending.

In the mean time I applied myself early and assiduously to the dispatch of such arrears of business as I found depending; and to those exigencies of the government which were likely to press, with the severest weight, upon it, in the event of a change not effected by express authority from home, and therefore wanting the confidence and respect of a fixed appointment. The first object, and that recently urged by injunctions from the Court of Directors, which rather augmented our difficulties than facilitated the removal of
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them, was to clear off the debt which we had contracted during the course of a long and multiplied war. This consisted of two kinds;—First, the regular debt at interest, which had continued for some time at the fixed sum of one hundred and sixty lacks: and Secondly, orders granted on the Treasury and Deposits, which at this time amounted to about rupees 144,47,860:8:1. Of these orders, some, which were in lieu of payment made by the Board of Trade, were charged with the customary interest.

When I left Calcutta at the beginning of the year, I had vainly flattered myself, with a confidence which impelled me to express the same expectation to the Court of Directors, that we should be able to
pay

pay off all the Treasury orders, and discharge a part of the debt at interest, by the end of December. I was certainly warranted to form and give this assurance by a fair state, which I transmitted at the same time to the Court of Directors, of our probable receipts and disbursements to the present^{cried} period. The causes of my disappointment arose from the unexpected, and equally unnecessary, detention of Col. *Pearse*'s detachment at Maffulipatam, when it was on its return to Bengal; by which an expence of near seventeen lacks of rupees was continued a twelvemonth beyond its computed duration; and from the enormous sum of a crore of rupees, distributed in remittances to the other presidencies, of which that of Fort St. George alone, which least wanted it, and of whose disbursements,

bursements, whatever they were, our Board was kept in utter ignorance, had received for its separate share more than sixty-five lacks. A detail of this subject would be too long an interruption of the general recital; and as it is fully comprised in a letter which was written expressly upon it to the Court of Directors, dated the 6th of December last, I shall add it in the Appendix, referring to it for complete information.

I was not apprised of these unexpected charges till my return to Calcutta, having trusted to the estimate of receipts and disbursements made at the beginning of the year above quoted, as a sure provision against them. I was anxious to put an immediate check to the continuance of
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a drain which our finances could ill sustain, and happily found the other members of the Board in the same disposition and opinion. At our first meeting in council on the 8th of November, I proposed, and it was agreed to with such a promptness that our orders were written and signed before we parted, to send a peremptory injunction to the presidency of Fort St. George, to desist from further drafts upon us, declaring that we would answer none that were granted after the receipt of our letter.

To Bombay, whose wants were more pressing, but had already received a very ample and acknowledged relief, we wrote to confine their demands within five lacks of rupees, until they should receive our
 licence

licence for a larger supply; and to this we afterwards added the promise of a further remittance, by bills from the treasury of Lucnow in the month of May next; for which a provision had been made on a very profitable rate of exchange in the Kistbundy, or account of instalments, agreed upon by the Nabob Vizir in payment of his debt to the Company.

A few days before my return to Calcutta, but while I remained at a small distance from it, a packet was received from the Court of Directors, which had been dispatched by land, and contained a letter dated the 15th of June; in which they severely censured the Governor General and Council, for having agreed, in the month of November 1784, to take up the
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sum of fifty lacks, on loan for drafts on the Court of Directors, to supply a deficiency of nearly that amount in the advances made for the investment of ~~that~~^e year; when, as it appeared to them, our advances had already exceeded the value of the allotted provision by _____ lacks; and they therefore recommended to the Board to prevail upon the subscribers to accept of a redemption of their loans in lieu of the promised bills.

As this dispatch had been made for the sole and express purpose of conveying the sentiments and orders of the Court of Directors on that ~~single~~^{single} subject; and therefore strongly manifested the impression which it had made on their minds, and impressed the consequent necessity of compliance

compliance on ours; the part which we had to choose was both difficult and hazardous. The order was evidently founded on a mistake; for the Court of Directors, or rather, as we must suppose, their official reporter, had confounded the advances of two years with those of one. It was a becoming deference to conclude that, as the propriety of the order was inseparably connected with the truth of the fact to which it was applied, they would not have passed the order under a contrary supposition; and that a discovery of the error would induce them to revoke it.

Our engagements had hitherto been held most sacred, the Court of Directors having contented themselves with expressing

ving their disapprobation of such as they deemed not sufficiently warranted; but never disputing their validity, or withholding their effect, if it depended on them for giving it: and the former loans, which had been contracted on the same conditions, and for the same exigency, had received their express approval in terms of applause. To receive the recommendation in the construction of an absolute order, and to execute it literally as such, under the circumstances which have been recited, would have been injurious to the service, highly culpable in its principle, productive of much aggravated distress in its immediate operation, and destructive of our future credit; fatally, perhaps, to the Company's existence, if ever a season should recur of the like difficulties with those

those which our credit had hitherto enabled us to surmount: at the same time to persist in a literal adherence to our engagements with the knowledge of such an indisposition in the Court of Directors towards them, would have been an injury to the subscribers, if the Court should refuse to ratify them. Upon the whole, after much discussion, but little debate, a middle expedient was adopted; which was, to publish the whole state of the case, and to give the subscribers an option, either of the redemption of their loans, or of the acceptance of their bills, and to refer the latter to the justice and candor of the Court of Directors for their ratification of them. This subject engaged much of the attention of the Board in their two first meetings, held on the 8th and

and 9th of November, and passed with their unanimous assent. The instant effect was such as could not fail to afford us the most complete satisfaction; for the publication made no alteration in the minds of the subscribers, who retained their original interest in the subscription, only 2,51,500 rupees of it having been withdrawn, principally by persons acting as trustees for others, and therefore not chusing to exercise the same latitude of judgment with those whose property was at their own disposal.

For a more accurate account of this transaction I refer to the original papers in the Appendix No. 1.

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I found

I found the Board engaged in an unpleasant altercation with the Board of Trade, which had originated from prior orders of the Court of Directors received by the Surprise Packet, which had left England on the 29th of April, and arrived in Calcutta on the 28th of August. These contained some severe censures upon the Board of Trade for a latitude assumed in their allotment of contracts for the provision of the investment, and a peremptory injunction to grant them after due advertisement to the best bidder. Our Council, in implicit submission to the letter of the order, exacted from the Board of Trade an immediate obedience to it; to which the Board of Trade objected, pleading, that in consequence of an intimation given them by the superior council

council early in the year, of their intention to appropriate one complete crore of rupees for the service of the investment of the season, not accompanied or followed by any other instructions, they had issued immediate orders to their former agents and contractors, that no time might be lost for so large a provision, to continue their advances on the terms of the last year; that these orders were intended and received as actual engagements, though not confirmed by any formal deeds, and had certainly the same effect after so long a lapse of time; that the season for making the advances and other preparatory acts was long since passed, and the season for the returns approaching; and that any attempt to cancel the existing engagements, against which they thought

the contractors would have their remedy at law, and to transfer them to new adventurers, with the necessary time allowed for publick notice, and for possession, would occasion a total loss of the investment for the season.

To these objections, which really possessed all the weight given to them by the Board of Trade, it might have been added, that the order of the Court of Directors, though, as I recollect, rather indefinitely worded, must have been intended for a rule of general practice, and could not possibly be meant for immediate application; since it would not have been received till the latter end of October, or the beginning of November, if the Surprise had made her passage in the ordinary
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time, which she had shortened by two months; and of course the Board of Trade would have been in the receipt of part of the goods provided, and the rest would have been in the course of delivery. At all events the order was now become ineffectual. It was therefore proposed, and happily agreed to, to close the contest, by yielding the point of it to the Board of Trade, and allowing their engagements to stand with the responsibility thrown on them for its effect with relation to the orders received from home. At the same time, as the Court of Directors in their report delivered to the House of Commons on the 23d of March 1784, and which they had called upon us with much solemnity to verify, had stated the whole sum of the expected cargoes from India for that year

at one million sterling, of which the proportion that Bengal alone bore to the other presidencies was but thirty lacks; the Board of Trade was required to limit the provision to that sum for the prescribed articles of their investment, with the addition of fifteen lacks for raw silk, which was not in the list; both to allow for the provision actually made, and to preserve the manufacture, which had been much improved both in price and quality. The Board of Trade contended for a larger allowance; but a peremptory declaration of the superior Board prevented a repetition of the demand.

I have said, that it was the first object of the Board (it was at least my own) to clear off our debts by lessening our disbursements,

bursements, as the only means of fulfilling the commands and expectations of the Court of Directors, and of affording an effectual relief to the other presidencies; since a lavish dissipation of our treasures beyond our current income, however specious the occasion might appear, or however urgent the call might be, as it was in the instance of the orders of the Court of Directors, grounded on their report presented to the House of Commons, would only add to our difficulties, not unlike a thread drawn to its utmost length from an entangled skain. Our natural exigencies must be supplied; the army must be paid a portion of its arrears for its subsistence, and the larger was their amount the less would it admit of increase; the whole amount, therefore, of the
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annual pay, of whatever denomination; must after a certain ~~rate~~^{run} be distributed to them: the restoration of peace, and the return of our foreign detachments, required that as large a portion of the army should be disbanded as had been super-added to our fixed establishment in the course of the war; but the corps which were to be disbanded, were to be first paid up to the period of their service; nor could they be paid, and the others neglected, without exciting general discontent, at all times dangerous in transactions of military œconomy; but above all, when the necessity of retrenchments, and the known intention of making reformatations, had disposed the minds of men to a quicker reception of such impressions as led to mutiny: expedients, if they were to be found,

found, must be used, either to answer or to shift the actual demand; and every such expedient will be found to be the present gain of one rupee for the future loss of two: the debt, as it increased, would throw the prospect of payment to a greater distance, and proportionably increase the discount of the original sums, which was already very large both on the Interest Notes and Treasury Orders: the multitude of bills unpaid created the like accumulation of accounts unaudited, and the consequent licentiousness of contingent charges, besides the natural incitement to irregular claims when the expected receipts were either partial or remote. Though the Treasury was ostensibly charged with the established rate of interest, its substantial loss was equal in most cases to the

the discount, since every contractor, ^{and} ~~or~~ other dealer on trust, either with the Board, or Board of Trade, took the difference into the account, either by enhancing the rates of originated^{ing} engagements, or eluding the conditions of the old. Yet the debt itself was inconsiderable: and here it may not be amiss to take notice of the fallacy of the general cry which has prevailed for some time past, of the loss of our publick credit; than which nothing can be more foreign from the truth.

The fact is, that our publick credit, by which I mean the credit of our Interest Notes and Treasury Orders, never extended beyond the English servants of the Company, and the European inhabitants of Calcutta; and to these may be added a few,

few, and a very few, of the old Hindoo families at the presidency. All the other inhabitants of the provinces are utterly ignorant of the advantage and security of our funds, and have other ways of employing their money, such as purchases of landed property, loans at an usurious and accumulating monthly interest, and mortgages; to which, though less profitable in the end, and generally insecure, they are so much attached by long usage, and the illusion of a large growing profit, that it would not be easy to wean them from these habits for others more difficult of comprehension, and to them of insuperable discredit from the idea of insecurity attached to the dependance on power. And happy for the Company is it, that such bounds are prescribed by necessity to
their

their publick credit; and that it is not in the power of a weak administration to load its successors with debts improvidently contracted for the relief of its own exigencies.

The want of credit, as it is falsely called, in Bengal, is not, as the term implies, a want of confidence, but of means, in those who were the creditors of our treasury. When these had no more ready money to lend, the government appeared to be greatly distressed, because its expences continued at the same amount with the resource stopped, by which they had been supplied beyond the extent of its current income; and as the prospect of discharging the debt which it had contracted, became so much the more remote, and in
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a degree doubtful from the hazards of a state of multiplied warfare, its notes ^{first} lost their equal currency by a natural consequence, and afterwards sunk yet more in their value. The same cause afterwards affected the orders on the Treasury, altho' in the course of payment, but at uncertain periods. Yet, when I left Bengal, our debts of every denomination amounted to no more than 304,00,000 current rupees, which is little more than one-half of our annual revenue, which may be fairly estimated at *five Crores & a half of current Rupees or 5½ Millions Sterling.*

With this clear, and certainly true state of the question, how will it appear to any candid judgment, that after a war sustained during the course of five years with the ^{three} States of the greatest relative power to
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our own situation and connections, the Marattahs, Hyder Ally Cawn, and the French; after having sent two great armies to the extremities of Indostan and Decan; after having furnished subsistence to the other presidencies, supplied the China Trade with yearly remittances, and made richer investments for England than were ever purchased in the same space of time under any preceding administration; our resources are exhausted, and our credit gone, because we owe a sum which we cannot instantly discharge, but *which scarcely exceeds half our annual revenue!* I repeat the position in the same terms, because it cannot be too often repeated, nor its impression too forcibly made in such a discussion. Let the same case be put of a private estate so incumbered, and its proprietor

prietor reduced by it to a state of bankruptcy. It is an absurdity in terms:— but if the comparison be carried higher to the enormous magnitude of the sum in which the parent state is indebted, a sum which all the treasures of this habitable world could not realize, the attempt to fix the imputation of insolvency on the treasury of Bengal would be too contemptible for argument.

When I took charge of the government of Bengal in April 1772, I found it loaded with a debt at interest of nearly the same amount as the present; and in less than two years I saw that debt completely discharged, and a sum in ready cash of the same amount actually accumulated in store in the publick Treasuries; and in effect
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the present debt ought to be cleared off, as I have no doubt it will be, completely, in two years of peace, if the present peace is of that duration.

Some time before my departure the Accountant General delivered in to the Board an estimate of the probable resources and disbursements of the Bengal government from the 30th of April 1784 to the 1st of May 1785; from which it appeared, that at the end of that period the claims on our Treasury would exceed our resources by 1,49,01,433 current rupees: or, in other words, that independantly of our bonds we should be indebted this sum, either for loans, or for arrears of pay, or other current disbursements. On the supposition that this state-
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ment were just, this would be a heavy debt or deficiency. But even this, which I deem exaggerated, will be found, on a comparative examination, to be considerably less than what actually existed at the time when the account was formed. For the proof of this assertion, I refer to the account itself No. in the Appendix. From thence it appears, that on the 30th of April, 1784, we were indebted as follows:—

Balance due to sundry departments. 2,87,146:12:11

Disbursements in arrears, viz.

Civil 16,55,934: 6

Military 51,38,887:13:5

Marine 3,39,486:15:1

Revenue department 17,77,126: 6:7

89,11,435: 3: 7

Extraordinary disbursements in arrears, viz.

For deposits due from

the Treasury 10,47,600:13: 2

Due on fundry orders

thereon 2,87,142:11: 5

Due on ditto in favour

of the Board of Trade 45,45,897: 5: 7

Due on ditto for sur-

plus to, and drafts

of the other presi-

dencies 24,39,750: 3

Due from the *Lucnow*

Treasury to the

Bankers and Mr.

Scott — 18,21,707: 8: 8

Due on various

accounts. — 63,886:13:10

102,05,985:7:8

Current Rupees 1,94,04,567:8:2

The amount therefore of our debt
and arrears, independent of Bonds, on the

30th

30th of April 1784, was 1,94,04,567:8:2 current rupees; but from this we should in justice deduct the amount of the sums remaining at the same period in charge of the different offices, being 40,63,877:2:6 current rupees: and the real deficiency of our finances at that time will be found 1,53,40,690:5:8 current rupees, being more than the deficiency calculated for the 1st of May, 1785, by 4,39,256:9:9 current rupees.

Many of the articles which composed our debt in April 1784, would run on without much inconveniency to the creditors till May 1785; and there are some even which could not with propriety be discharged. Of the former kind, are the orders on the Treasury, of which as some

were paid off, others might be granted to an equal amount.

Such also are the arrears of some of the offices. Of the latter kind are the deposits in the Treasury, which are never restored until demanded, and which have continued for a long series of years at nearly the same amount.

But in fact, this estimate, though formed with all possible accuracy at the time, has from changes of circumstances, in the intervening period, already proved in many particulars erroneous; the receipts being under-rated, and the disbursements stated beyond their real amount. I will mention a few instances.

The

The sales of the Salt are rated in this account for the whole year at only thirty lacks of rupees; whereas, it appears from an actual account delivered to me by the Controller, that on the 31st of December 1784, he had paid into the Treasury, 44,20,000 ficca rupees; and he expected to make further payments by the 30th of April 1785, to the amount of nine lacks, making altogether 53,20,000 ficca rupees, 61,71,200 current rupees; and the event has hitherto always more than verified the amount of his estimates.

The receipts from the Opium are in the same manner estimated under their probable amount, having already been exceeded by the proceeds arising from only a part of the Opium, which was sold a

few days before I left Calcutta. The whole sales when completed, would yield about seventeen lacks, being five lacks more than Mr. *Larkins* has stated in his account.

I do not see any estimate in this account of the receipts arising from the sales of the Company's Europe imports; these may be computed on a medium at nine lacks.

The grounds on which I suppose that Mr. *Larkins* has stated the disbursements at a higher rate than they will actually amount to, are these: the estimate is calculated at the rate of our establishments in April 1784; but in the month of January 1785, a general reduction took place in all our establishments, both
civil

civil and military, which would have a considerable effect in diminishing the disbursements of the three remaining months of the year. As this reduction extended generally to the establishments dependant on the various offices which were abolished, without particularizing each article; the exact amount of the whole saving cannot be ascertained, until the particular accounts formed in consequence of it are received from Bengal. Setting aside the effects of this reduction, if the circumstances which I have before-mentioned are taken into the estimate, the state of our deficiency may be corrected as follows:—

Deficiency per Mr. *Larkins*' estimate

on the 30th of April 1785, viz. 1,49,01,433:11:11

Deduct receipts beyond what Mr.

Larkins has estimated, viz.

Further receipts

from the Salt	23,00,000
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Ditto the Opium	5,00,000
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Receipts from the import

sales	9,00,000
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Sicca Rupees	37,00,000
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Batta 16 per cent.	5,92,000
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	42,92,000
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Total deficiency estimated for the

1st of May, 1785.	1,06,09,433:11:11
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Which is less than what I have shewn was our deficiency on the 30th of April 1784, by 47,31,256:9:9 current rupees.

I now proceed. As almost every act of the Board which was not in the ordinary course of business, during the short interval comprehended in this review, was formed on the principle which I have already mentioned, or with a view to it; I shall

shall recite them as they accord with the general subject, leaving such as are of a different kind to follow without regard to the order of time in which they passed.

In the consultation of the 22d of November, two other resolutions passed, which afforded the prospect of considerable relief in our means of expence: One, to withhold the supply to Canton, which was the less necessary, as the supercargoes, who best knew their own wants, had not required it; and we knew that they could generally command any sum that they might have occasion for, by drafts on the Court of Directors. The other was immediately connected with it. The usual mode of remittance to Canton was by opium, either sent on account of the
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Company, or by sale to individuals, the amount of the sales being payable to the Company's cash in China.

By the first we were constantly losers, and I believe such will be the invariable consequence of attempts of the Superior Administration, charged as it is with so great a variety of affairs, to entangle itself in the nice and intricate minutiae of commerce; and in the latter the opium had always sold below its real value, or, to speak more properly, below the value which the first sale ought to bear in the proportion of its demand, and easy sale abroad.

It was agreed to advertise the sale of it in lots at publick auction, and to receive
Treasury

Treasury Orders in payment. By this advantage fairly taken of the eagerness of individuals to convert their Treasury Orders into cash, or useful merchandise, we cleared off more than sixteen lacks of our current debt, and raised the sale of the opium to a profit exceeding by much the discount of our Treasury Orders.

At this time we had more ships on hand, reckoning those which were expected, than we could provide with cargoes. Our supplies to Bombay, though very ample, were yet insufficient for all their wants. Their investments of coffee we understood to be an essential article; in so much, that in the last year they had sent one of the Company's ships to Mocha for a cargo of coffee in the expectation of

of obtaining it on credit, but failed; and the ship returning empty, they purchased at an advance of fifty per cent. on the prime cost, and drew upon Bengal for the amount, a quantity sufficient for her lading, from a private adventurer. This may serve for one illustration of the improvidence of desultory expedients. It occurred to us that one of the ships which was then lying in the river might be profitably employed in this service, and the Camden was accordingly chosen for it. The Board of Trade was directed to provide for the purpose a small investment of cloth and rice, the produce of which was to be invested in coffee, with an allowance to the commander to draw upon the Company for the deficiency.

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I am aware that it will perhaps be objected to some of these measures, that in relieving our own exigencies we have only increased the burthen of the Company, by leaving it to fall on them with accumulated weight from other parts of their general administration; that for instance, in stopping the supplies to China we have entailed on the Company the expence of paying the bills which the supracargoes must draw for money taken up at Canton; or, that in prohibiting further drafts from Madras, we have obliged that presidency to reduce their investment, or to borrow money at a large interest, or, in more propriety of speech, to issue bonds in lieu of payment for their current expences.

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Such objections, though they are in reality inapplicable, yet being mixed with facts, to those who consider the subject superficially, will appear just, and more especially where the mind is already prepossessed with those ideas which have been so universally adopted, and which, in truth, have been one great cause of our present embarrassments.

It seems to have been supposed that the resources of Bengal were inexhaustible; and to the measures which sprung from such ideas must we ascribe a great part of the distress which its government has experienced.

Whatever charges might be incurred at the other presidencies, whether occasioned
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by speculative plans of increasing their investment, or by a lavish waste of their treasure, it was the less regarded how far their own resources fell short of their disbursements, since Bengal was looked on as an inexhaustible fund from whence the deficiency might easily and readily be supplied. Hence it is, that the drains from Bengal for the support of the other presidencies have been annually increasing, till at length they have amounted in 1784, as I have already observed, to the enormous sum of a crore of rupees.

It is true that the resources of Bengal are great; but they are not inexhaustible. After defraying all the charges of its government, and all expences of its civil and military establishments, Bengal is perhaps

haps capable of yielding an annual tribute of one crore of rupees to the Company; nor is it material to the country whether the remittance be made entire in cargoes exported to England, or divided by aids sent to the other presidencies and China; but it can only be made through the medium of trade. Every rupee drawn from its currency, whether in specie, or in bills, which will amount to the same effect in the end, will gradually exhaust it of its vital strength; nor will the effect be felt until it will be too late to administer a remedy for it. The sources of opulence which it possesses in the fertility of its soil, and the number and industry of its inhabitants, will, I think, admit of its yielding the tribute I have mentioned; which is perhaps greater than any other country,

country in the world could bear, possessed only of the same sources, and like it, without any mines of gold or silver. But if more is to be improvidently exacted, these sources may fail, and Bengal be rendered incapable of yielding what it might have done with ease. The ordinary supplies to the other Presidencies, which were once moderate, were sufficient for their wants; such may not now be adequate to the effectual relief of their present exigencies; yet it is certainly better, that the means of furnishing them in future should be preserved, than that by attempting too much, they should be cut off for ever. Bengal wants only a little respite to retrieve its own affairs. It will then with ease furnish the usual supplies to the other Presidencies, and perhaps be able to

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increase

increase them, so as to assist in clearing off their incumbrances. But if the strain be carried too far on Bengal in its present state, I predict, that not only its capacity of assisting others must annually diminish, but its own embarrassments increase so as to endanger its very existence, if ever it should be pressed by any calamity. The recovery of Bengal is the object therefore of the first consequence to the Company, and is in effect the first mode of substantial relief to the other presidencies.

Of the two foreign detachments, one had been some time returned from Surat, under the conduct of Colonel Charles Morgan, and dissolved. The other, commanded by Colonel Pearce in the Carnatic, had been unfortunately detained at
 Massu-

Massulepatam, as I have before observed, during the last season preceding the rains, and did not repass the boundary of Bengal till the end of the last year. I staid long enough for the melancholy pleasure of seeing the remains of this valuable corps after its return, and to join in the regretful, but necessary order for its dissolution. These reductions, by the abolition of an expensive staff, and a heavy contingent expence, will prove a considerable relief to our general military charge. But a more extensive and radical cure was yet wanted for the great disease of our finances, and this I had the inexpressible satisfaction to see completed, and administered before my departure. One plan was formed for a general retrenchment of all the civil, and another of all the mili-

tary establishments. These appeared before the Board in their first and rough state on the 20th of December, and were passed on the 4th of January. They will be best understood by a reference to the minutes at large, which will be No. in the Appendix. I shall make some observations upon the general subject.

Among the many invectives, whether excited by policy, malevolence, or truth, which have been thrown upon the administration of Bengal, that of a lavish expenditure of the public money, in current expences and in fixed establishments, has been a constant and laboured subject of declamation. Allusions are made to it as to a fact of such notoriety, as to preclude the necessity of evidence; at least, no instances

stances have been adduced in proof of it, which have come to my knowledge. No credit has been given to the Government of Bengal for having added more than a crore of rupees, in the midst of all its difficulties, to the public revenue; no remembrance retained of the applause bestowed on the same administration for former retrenchments made, and a system of œconomy formed, when the temper of the times admitted; ^{it} no consideration allowed for the sums invested in the support of the Company's commerce, which it has alone supported; nor for the defence of the Company's other presidencies, which but for that defence would have been lost; no merit ascribed to it for having maintained the splendor of the national character in all its military operations, unal-

loyed by a single failure of success, or imputed error; nor for having insured the blessings of peace, security, and abundance, to the subjects of its immediate dominion, while it dealt out the terrors of ~~the~~ conquest to the remotest enemies of the parent state, and of its own associate members; and while every other member of the British Empire was afflicted with the plagues of war or insurrection. As little was it noticed, with how inconsiderable a charge upon its fixed resources these services were performed, and how disproportionate, beyond all degrees of comparison, with the growth of the national debt, or with the product of that debt in the national services, within the same period. It was sufficient that our expences had greatly exceeded those of our peace establishment,

blishment, to infer from it, without further enquiry, that the excess was solely the effect of dissipation.

Yet let me be allowed to repeat the supposition which I have already taken occasion to make: were Lord *Clive* to awake from the dead, or Mr. *Vanfittart*, great as was the mind of the former, and extensive as the knowledge, and ready the resources of the latter, and to be told what powerful exertions had been made by Bengal within the last six or seven years, and what was its actual state and capacity; neither one ^{nor} ~~or~~ the other would give credit to the information, but pronounce it to be impossible from the recollection of what they knew of the powers of that Government, and from any allowance
which

which they could make for its subsequent improvements.

Yet I do not affirm that the charge was absolutely groundless. There never yet was a system of public œconomy to which it would not in a degree apply. Some of its offices were overpaid, nor were the emoluments allotted to all exactly proportioned to their importance, trust, or the ability required for discharging them. It is impossible that they should, where offices exist at the time in which their salaries are determined, and many are to determine them. Men were not invariably appointed to offices to which they were suited, or ^{best} ~~best~~ suited ^{by} ~~to~~ their talents, experience, or integrity. It is impossible that they should, where the power of patronage

tronage is in many hands, and exercised under the influence of personal favour, or of superior patronage.

Contingent bills, which form the most uncontrollable source of the general disbursements, were neither audited as they came in, (and every delay is in this case a cause of increase in expence) nor when audited, corrected with that severity with which contingent accounts ought to be corrected; and the foregoing causes may be alledged for this effect also.

To enumerate every case would be endless. In a word, while the power of Government is in the hands of many; and the smaller the number is, the greater is the evil in this case; while each hand

holds

holds an equal share of it; while the members of government retain their places by sufferance, and the terrors of dismissal and disgrace are held out against them at home; when their accusers and the expectants of their places are the judges of their conduct, and preparers of the evidence on which it is to be tried; when the members of the government themselves are in disagreement with each other, and that disagreement (with regret and shame I suppose it) is excited by the ^{voice} ~~view~~ of authority; when each member stands in need of support from home, and owes returns for the support which he receives; when each claims an indulgence from the others, and has it in his power to retaliate every disappointment, which may be easily understood, but can never be imputed; and
lastly,

lastly, when the most meritorious conduct is denied its credit, and even the sacrifices of interest are branded with the reproach of venality; from a government so constituted, what reformation can be expected?

Yet what could be done, has been done; and I know not whether I feel most satisfaction or regret in the reflection, that my administration closed with an act which though most necessary to the public expectation, will give cause of mortal offence to numbers both in India and in England, and subject me to the charge of ingratitude from every friend at home who regards the return of personal favour as an obligation superior to the consideration of public exigency; and I expect to
experience

experience this, and worse effects of it. Yet there never was a time in which I stood in more need of personal support, or had a stronger private inducement to court it. But as I saw a necessity for attempting a new and complete reformation, I could not reconcile it with duty or honour, to leave so invidious a work to my colleagues, when I could render it less odious, to them at least, by taking a share, and a principal one, in the formation of it; when I thought (as every man in my station ought to think) that I could perform it with more effect than others could; and especially when I considered, that it was an act that would, or ought at least, to extend in its operation to the distance of years beyond my own time; and was therefore the most important subject of my

my attention, as the most laudable of my ambition. As to the execution, that is the most easy part of it; for when the plans are formed and issued in orders, what remains is merely negative: and it will require little trouble to refrain from creating new offices, or additions of salary; nor stretch of capacity to refuse unnecessary advances of cash, or the sanction of prohibited charges.

Before I left Calcutta on my visit to Lucnow in February 1784, I with some difficulty prevailed on the Board to constitute a committee for auditing accounts. I was induced to recommend this measure, by the long experience of the insufficiency of the superior Board for that kind of detail, especially where the members of it

did

did not mutually possess an implicit confidence, and most cordial agreement. Besides, the examination of accounts requires an ocular inspection, and that kind of abstracted attention which cannot be bestowed on a Secretary reading them, nor by many ears attending. In effect, though the Board assembled regularly on every Thursday in their department of inspection, for the professed purpose of examining accounts; I can securely affirm, that the whole aggregate of business transacted by the Board ^{in this department collected} in the course of a twelvemonth, was not equal to that which a single member, uninterrupted, could have discharged in one morning.

In the plan which I gave in for the formation of the new office, and which
was

was passed with little alteration, I adopted the construction of the Board of Accounts which existed at Fort St. George at the time in which I was a member of the Council there; and which was admirably calculated for quick dispatch, as well as to preclude, as much as possible, all unfairness from prejudice or favour. The plan itself will be added No. in the Appendix.

I was the more desirous of effecting this point at the time, from the apprehension of being long absent from the Presidency; and I flattered myself that by this expedient the most important and essential part of the current business would be dispatched with regularity. The event did not answer my expectations, the construction

tion of the Committee differing essentially from the principles of its constitution. The civil audits were indeed brought up to the latest period, which was a very material point attained; but the military, the most important, were in long arrears, and the accounts of all the foreign detachments, which the Board had with great labour examined, and either passed ~~with~~ the minuter corrections, or laid down the general rules for those which were of the same kind, but of more frequent occurrence, with orders for their reference for complete adjustment to the Commissary General, remained after the lapse of a year unnoticed, having neither been transmitted to the Commissary General, nor even transcribed from the rough minutes. These, and all the other depending
accounts,

accounts, underwent the separate inspection of the members of the Board, a work of great labour; those of the military detachments referred with proper instructions to the Commissary General, and all the rest brought up to the end of the month of December, by the 27th of the month ensuing.

I have enlarged on this subject beyond the claim which it may appear to have from its obvious consequence; both because it is connected with the general principle of frugal œconomy, and with the principle of that duty with which I shall close this recapitulation; I mean the obligation of leaving as few incumbrances as possible on the hands of my colleagues, and especially of my successor;

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and

and for that purpose of bestowing an unusual portion of my own personal labour upon them before my departure.

In my accommodation with the Nabob *Affoph ul Dowlah*, I had agreed to withdraw the detachment commanded by Col. Sir *John Cumings* from Furruckabad, and had continued the estimate of its expence in the sum which the Nabob was charged with for the current year no longer than to the end of December, allowing the intermediate time for the return of the detachment within our own borders; and I left orders for that effect in the hands of my military secretary Major *Palmer*, whom I left as my agent at Luenow, to be issued whenever the force destined to supply its place from the Nabob's own establishment

ment should be ready to occupy the station. This detachment stood at a yearly charge of near twenty-three lacks of rupees, of which nine lacks consisted in staff-allowances, and exclusive disbursements appertaining to it as a separate corps. The last sum would have been immediately saved by the reduction; and a saving of the whole, or nearly the whole, might have followed by the discharge of as many sepoy regiments as the number composing the detachment, no longer wanted with the termination of the service in which it was then employed. I had once before attempted the same measure in the year 1782, and had even recalled the detachment then stationed at Furruckabad; but I was under a necessity, caused by many considerations of a policy

to which I should have yielded little respect under a better constituted system of government, to revoke it. The Nabob had never solicited the aid of a military force for the defence of that frontier, and he alone was, or ought to be, the judge of his own wants. In truth, it was not wanted; but it greatly injured his authority, it affected his revenue, and added a large sum to the annual excess of his debt to the Company, without any real saving to our own disbursements; since it was a superfluous increase of our military strength, if not required for that specific service. Besides, it was too remote for discipline and control; and many foul evils, unknown to the service before the formation of the corps which were entertained by our government for the Nabob's service

service and pay in the year 1775, had originated from this del^eterious source.

The opportunities which my residence at Lucnow, and a nearer and more intimate intercourse with the King's ministers afforded me, of estimating the strength of the different states whose possessions bordered on the Nabob's northern dominions, or who might approach them in their occasional incursions, impressed me with the strongest conviction of the inutility of the appropriation of any part of our military strength to such a defence, for which a much smaller force of the Nabob's own sepoys, rabble as they were, were more than adequate against a worse rabble of any that could be opposed to them. But the other members of the

Board judged otherwise, and resolved on continuing the detachment; and, however I might feel the instant mortification of seeing my own judgment, formed on actual knowledge and intimate observation, superseded by private suggestions; for no knowledge could the other members have had, but from individuals; I was but too sensible of the disadvantage under which I should contest this point, if I did contest it, in my approaching separation from the service, which invested my successor with a plea, specious at least, for an exclusive option in the provision of measures which were required by his sense of the publick danger in which I had no longer any concern. And when I found both him and the other Member of the Council inflexible against the arguments which I urged in support

support of my own proposition, I submitted; making the repeal of my former orders an act of my own authority, that it might not appear the effect of opposition, and produce a dangerous influence on the credit of the succeeding administration. No. in the Appendix, contains the minutes which passed in the discussion of this subject.

As the design of my long residence at Lucnow was materially connected with the general object of the preceding recital, I shall insert my report of that transaction in the Appendix No. More need not be recapitulated of it in this place than its termination, which was a corrected adjustment of the Nabob Vizir's debt, now settled, with the growing subsidy and other

other current payments due for the year of the computation called Fuffelee, which ends with the English month September 1785, at 1,05,00,000 rupees of the Lucnow standard, and made payable according to the following monthly installments:—

To be paid to the end of Bhadoon

In ready money	—	9,00,000	
In bills	—	10,00,000	
		<u> </u>	19,00,000

To be paid to the end of Coar

Ditto	-	Kateg	—	5,00,000
Ditto	-	Augun		5,00,000
Ditto	-	Poos, viz.		
In ready money				5,00,000
Bills on Surat or Calcutta				15,00,000
			<u> </u>	20,00,000

To be paid to the end of Maay

Ditto	-	Phagoon	—	3,25,000
Ditto	-	Cheynt	—	3,25,000

To

To be paid to the end of Byfaak	—	3,25,000
Ditto - Seyt, viz.		
In ready money	3,25,000	
Bills on Surat or Calcutta	10,00,000	
		13,25,000

To be paid to the end of Affar		3,25,000
Ditto - Sawan	—	3,25,000
Ditto - Bhadoon, viz.		
In ready money	3,25,000	
Bills on Surat or Calcutta	15,00,000	
		18,25,000

Lucnow Rupees of 23, 24, 25, and 26 Sans 1,05,00,000

I had the fatisfaction of learning a few days before my departure, that the kift, or demand for poos, which was the last due, and which was the heaviest kift of the year, had been completely discharged; and I have every well-grounded reason to believe, that the remaining payments will be as punctually made; so that the Nabob's

bob's debt, which, when I went to Luc-
now, amounted to 72,95,656:4:7 current
rupees,* and was the accumulated growth
of many years, was now reduced to about
23,00,000 rupees.

The other transactions of the Board,
which passed in the period of this review,
having arisen out of accidental emergency,
unconnected with any fixed and followed
rule of conduct, I shall be brief in my re-
cital of them.

On the 16th of November, letters were
written to the Marquis de *Buffy*, to the
Director and Council for the Dutch settle-

* Vide Account drawn out by the Accomptant-
General, and laid before the Board, with his letter of the
24th of February 1784.

ment at Columbo, to the government^{gent} of Batavia, and to the President and Select Committee of Fort St. George; proposing, and warranting the means for accommodating the long-depending dispute betwixt the latter and M. de *Bussy*, respecting the mode of transferring the cession of Trincomale, according to the late treaties with France and Holland, to the representatives of the latter; the Marquis de *Bussy* claiming to deliver it immediately to the Dutch Government at Columbo, according to the intent and spirit of the treaties, and Lord *Macartney* and his Committee to be put in possession of it on the part of Great-Britain, that it might be delivered on their part, and by their agents, to the Dutch, according to the letter of the treaties. After a variety of elaborate and
subtle

subtle discussion of this unsubstantial difference, by which, if all parties were not losers, none apparently gained; it had been agreed between the two Governments of Fort St. George and Pondicherry, to refer the point in dispute to their respective Courts in Europe; and a French frigate had been dispatched from Pondicherry for that purpose, in which Mr. *Staunton*, private Secretary to Lord *Macartney*, had been permitted to take his passage for the explanation of what had passed on the side of the Government of Madras in relation to this contest. We decided, (deeming ourselves, as the superior and controlling power on the part of the British nation in India, competent to decide) that the Marquis de *Buffy* should cause the cession to be immediately

diately made by his own agents, whom in that case we authorised to act as ours, to those of the Dutch Government of Columbo; and we required him in return, to restore the town of Cuddalore to the Government of Fort St. George, which had been withheld by this unprofitable delay; the treaties having expressly stipulated, that the restitution of all places taken in the course of the war, which were to be restored, should take effect at the same period of time. Period!—an unhappy word, the grammatical construction of which occupied a large portion of the correspondence which passed between the Select Committee of Fort St. George and the Marquis de *Bussy*, and yet remains unresolved.

If

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If

If superstition may be admitted to suggest the sources of those untoward series of political events which the common sense of mankind cannot reconcile to any intelligible causes, that which I have been relating seems to be under the government of a peculiar kind of fatality; for to a plain understanding, there appears to be no reason which could have hindered the effect of the treaties on their first promulgation, but many to promote it; yet after the professed endeavours of all parties, and the expiration of many months, it was more distant than ever; and when a peremptory measure was adopted which seemed to ensure its easy success, the death of the Marquis de *Buffy*, of which we were apprised a few days preceding my departure, will most probably have defeated

feated the end of that also. In the mean time, the Dutch lose the benefit of their confessed right of possession; the French have the charge of it without any dependant advantage; and keep the possession of our Fort and territory of Cuddalore, probably with as little advantage, though to our certain loss and injury.

My report of the negociations which I performed at the injunction of the Board, for obtaining the return of the Prince *Mirza Jebander Shaw* to his father's court, contains all that is necessary for information on that detached subject. As an object of mere curiosity, I shall, however, prefix to it a narrative written by the Prince himself of his flight, which will perhaps afford more entertainment to
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most readers of these numerous sheets, than the contents of all the rest.

Some time preceding, the Select Committee of Fort St. George had by different ships sent round many of the King's officers and foldiers to Calcutta. Their motive for this act was probably to free themselves from the expence of their subsistence, for we had no official information

the purpose of it, nor indeed were we at all apprized by what authority many of these consignments were made. This laid the Board under some difficulties. The senior officer, Colonel *Gordon*, had received orders from the Provisional Commander in Chief upon the coast, concerning the disposition of these men, and for recruiting the corps to which they belonged; and he in virtue
of

of this commission assumed the exercise of an authority, which the Board (having no regular knowledge of him) could ~~not~~ not admit. The personal merits and ingenuous manners of Colonel *Gordon*, exacted from the Board a degree of respect, in the observance of which, something too much was yielded of a power of which he was either entitled to the complete exercise, or of which he should have been denied the right altogether.

It is needless to enumerate all the little subjects of altercation which arose out of this equivocal state. It is sufficient to say, that the Board finally decided, as the proper and only judges in such a contest, by ordering all the men whose time of service was expired, and were willing and fit to

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enter

enter into the Company's service, to be entertained, and the remainder to be embarked for England. To the officers, who were more than a hundred in number, and who would have been subjected to great inconvenience, nor the commanders to less, by being crowded as passengers in the Company's chartered ships, were allowed, to those who chose it, fixed sums as passage money, to provide their own means of conveyance. An ill-judged claim, asserted by Colonel *Gordon*, to supersede the authority of the Board in appointing general courts-martial, afforded an occasion for addressing the Court of Directors upon the general subject of the contradictory and ill-defined powers of the Board and the King's military Commanders in Chief in India, as they at this

time

time stood in relation to each other, and to treat^{it} with a large and free discussion.

All these various points are contained in the several minutes of Council which will be recorded in the Appendix under No. —

I now come to the chief object of this recapitulation; namely, my separation from the service. Although I considered this as an event already determined, having myself long since fixed the necessity and obligation of it by declarations which left no option to my discretion, and little chance of ^{their} being rendered null by the reservations which a due respect for authority had impelled me to annex to them; yet as the possibility at least of these reser-

vations being verified by the event was implied in my having made them, and as I knew that the Parliament of Great-Britain was, at the time of the last advices from thence, employed in the consideration of such points as necessarily led to those, which in one determination of them might prove the pledged grounds of my continuance in office, I resolved to wait the arrival of the next dispatches, which I was given to expect, by those of the Surprise, would soon follow in the Fox packet, or in the Cygnet sloop of war. But so near was my sense of this suspension to certainty, that I was exceedingly anxious to give early notice to the Court of Directors of my determination in this state of it; nor was it less necessary to repeat the advice of the loss which the constitutional
 admini-

administration had already received by the death of Mr. *Wheler*, of which no information had yet been sent, except an express dispatched by myself in November from Benares, and intended for a conveyance by land from Bombay. The *Surprise* having approved herself the fittest vessel that we could procure for a voyage of expedition, the Board agreed to hire her for this occasion for a freight, estimated by the inverted proportion of the time in which she performed her passage. She was taken up on the 19th of November, and left her pilot on the 16th of December. No. is my letter addressed by her to the Court of Directors.

In this letter, I expressed my intention of waiting the arrival of the next regular

dispatches from England; but on the 20th
 of the same month, I received a packet
 by the way of Bufforah, which put an
 instant period to all my hesitation. It
 brought me letters dated in London as
 late as the 3d of August, and information
 of a bill for the regulation of all the va-
 rious branches of the British possessions in
 India, on an entirely new and permanent
 system, which had actually passed the
 House of Commons, and had been re-
 ceived with so little opposition in the
 House of Lords, as to denounce its pas-
 sage, with no essential change, through
 that channel of the legislature also. The
 parts of it which bore a relation to my
 office, and to those points which I had fixed
 as ultimately decisive of my resolution,
 were the ^{clauses} ~~claims~~ which declared the consti-
 tution

tution of the Government of Bengal to reside in a Governor-General and a limited number of counsellors, with the same equality of powers as that of the existing constitution; and which, though it confirmed the present members in their places, left their removal at the discretion of the King's Minister.

The first of these clauses was a determinate removal of the supposition, in the eventual verification of which, I had declared that I would still continue to retain the service and my office, and by a consonant and necessary inference imposed on me the indispensable obligation of resigning both; for I had repeatedly, in addresses to the highest authority to which I was permitted to address myself, declared that

I would

I would do it. As to the latter, it had no other effect upon my mind in respect to my determination already formed, than to divest it of all concern for the consequence; since the grounds assigned for the construction of the new bill, as I gathered them from printed extracts, and from the concurrent information of private letters written to others as well as to myself, were such as indicated my dismissal as the necessary conclusion from them; nor could I descend to so humble a sense of my own unimportance, as to suppose that the declarations which I had made and repeated of my intention would pass totally unnoticed, when they related to an effect of such magnitude, as the transfer of the first efficient authority by which the new system was to be conducted into hands not expressly

pressly selected for it. I therefore concluded, that either my destined successor was already on the way, or such orders as were to prescribe the intended succession, in whatever mode it was to take place in virtue of ~~the~~^a new act. It is true that no public or official notice had been received of the act, nor were we informed yet by any authority that it had actually passed; but my private conviction of both was complete; nor was this a consideration determinable by the grounds of prescribed authority. My resignation of the service was left by the power which had conferred it to my own free option; and I had therefore no other rule for determining it than my own private sense of public obligation, and consistency of character. I knew that the Company's dispatches, which even in

cases

cases of the most pressing emergency had of late years been subjected to great delays, had received other causes of obstruction from the multiplication of the channels through which they were now to pass; and it appeared as absurd to me, as it would have borne to others the appearance of presumption, to wait for confirmation of what I already knew sufficiently for my own use, and lose by ~~long~~ waiting, as I most probably should, the season for my departure. But why should I expatiate on a point of so little moment to any but myself? If I am conscious of having maintained, to the last act of my public life, the integrity of conduct and the consistency of those principles which I had laid down for the regulation of it; neither my constituents, whose interests even in
this

this instance were my leading object, nor my friends, who have withheld from me their belief in my professions, nor my enemies, if I yet have such, who have laboured to effect by violence that act which I have performed upon myself, have any right to pass their censures upon me. I am accountable to myself alone; and in the approbation of my own mind, I feel a support which the world cannot move. Yet may I feel a regret, to see that hope which I had too fondly indulged, and which I had sustained during thirteen laboured years with a perseverance against a succession of difficulties which might have overcome the constancy of an abler mind, of being in some period of time, however remote, allowed to possess and exercise the full powers of my station, of which I had

hitherto

hitherto held little more than the name and responsibility; and to see with it the belief which I had as fondly indulged, that I should become the instrument of raising the British name, and the substantial worth of its possessions in India, to a degree of prosperity proportioned to such a trust; both vanish in an instant, like the illusions of a dream; with the poor and only consolation left me of the conscious knowledge of what I could have effected, had my destiny ordained that I should attain the situation to which I aspired, and that I have left no allowable means untried, by which I might have attained it.—But enough of this.

I have already said, that I had protracted the time of my departure, as I had originally

nally fixed it, on account of the appeal made to me by the Nabob Vizir. The same cause might yet detain me. It was therefore the first provision which I had to secure in forming my resolution; and before I formed it. I accordingly delivered to the Board a minute, in which I mentioned the probability of my early departure, and required, as one ^{previous} ground of my determination, the positive declaration of their intentions with respect to my late arrangements with the Nabob Vizir, to whom I had pledged my word that I should, before my resignation of the service, exact such an explanation from the members of the Board, and that I would not resign ^{it} unless I received from them an absolute and unqualified promise on record, and confirmed by letter from my eventual successor to him,

that

that no resident should be sent, nor any deviation made from my engagements, whilst he and his ministers performed theirs in the punctual discharge of the monthly payments of the year. My minute was communicated to the other members of the Board on the 4th of January, and answered on the 14th, by a joint and liberal assurance on their part, expressive both of their resolution to abide by my engagements, and of their sense of it as an obligation independent of the actual occasion. Of one part only they made an exception, which was the continuance of the detachment at Futteygur, which subject had already been discussed at large, and concluded. Indeed it made no essential part of my engagement with the Nabob Vizir; and the Nabob himself had seasonably furnished me

with

with a recent plea for suspending the execution of this measure, by the alarm which he had taken at the events which had followed the death of *Affrafiab Cawn*, the King's Minister, of which I may have occasion to speak hereafter, and by his apprehension of troubles on that frontier; an apprehension which I thought, and still think, to have had no just warrant, but which, as he entertained it, afforded an idea of better security to him from the continuance of the detachment, and to the public eye, the appearance of its being dictated by a regard to his interests. Yet as the expence of this corps had no provision made for it in the Kistbundee after the end of December; and the Nabob's resources, of which a large portion had been derived from credit and the contributions

of

of his nearest relations, were barely equal to the sum already pledged ; to have demanded this subsidy in addition, and made it payable in the current year, would have been equivalent to a dissolution of his agreement, by annexing to it a demand which it was not possible for him to answer. I therefore on the same day stated the further necessity of receiving the clear determination of the Board on this subject, and received it in the most satisfactory and unequivocal terms.

Knowing how rapid the report of a change so interesting to many would prove in its progress and extension as soon as I had notified it, though my first notification of it was private and confidential, and withheld from the consultations, I
early

had early prepared the Nabob and his ministers for it, and repeated the assurance which I had before made them of providing for the security and duration of my engagements with them.

As soon as the Board had passed their last resolutions above-mentioned, letters were immediately written and dispatched to them by Mr. *Macpherson* and myself, to apprise them of the substance of them. These minutes and letters, with others which comprise the connected progress of this transaction, will be seen in the Appendix No.

I had now another point to attend to, which was to guard against the effects to which the impending change in the administration

ministration might be liable, without some precautions taken to prevent it. The length of time in which I had held the first office of the government, although with no efficient powers derived from its constitution, had invested me with many peculiar or personal advantages. My character was known; or (which was equivalent in its consequences) the general opinion of it was fixed: the invariable train of success with which all the measures, which were known to be of my own formation, were attended; the apparent magnitude and temerity attributed to some of these, which proved most fortunate in their termination; and the wonderful support and gradual elevation which my personal character had derived during a long and progressive series of contingencies,

gencies, such as have rarely fallen to the lot of an unconnected and unpatronized individual, from the coincidence of events appertaining to remote and foreign causes, or to the course of nature, with the crisis of my own fortune; and above all, from the virtuous and indignant spirit of my immediate employers, and the voice of my country, fortuitously combining my fate with other objects of infinitely higher consideration; had altogether contributed to excite a degree of superstitious belief, in the minds of almost all men who were situated within the sphere of my authority or influence, that the same success would crown all my future endeavours; nor let it be a matter of wonder that such a prepossession should gain credit with men to whose religious principles it is

familiar: I myself avow the same belief so long as my actions shall be directed by the sole impulse of duty unbiaſſed and unmixed with regards of perſonal intereſt, and even of perſonal reputation.

My correſpondence with the chiefs and rulers of Hindoſtan and Deckan had been improved to a ſtyle and ſtate of more intimate connection than is uſual in ſuch diſtant communications, by frequent opportunities of reciprocal kindneſs and co-operation of intereſts. All the defects of our government, and the conſequent diviſions and inſtability of our counſels, were known to all the ſtates around us. From all the preceding cauſes it was to be apprehended, that my departure from office, and the ſucceſſion of another whoſe character

racter was yet unfixed, and whose political opinions had hitherto appeared very different from mine, would be attended with many consequences of distrust and uncertain expectation.

To prevent this, I wrote early letters to all our political friends, apprising them of the probability of the impending change even before it was finally determined, and preparing them to receive Mr. *Macpherson* as a connection bequeathed to them with the same ties of sentiment and attachment, and united with me in the same plan of supporting the faith of ^{our} ~~their~~ alliances abroad, while I availed myself of what influence I might be allowed to possess at home, to render them more stable and permanent, by endeavouring to

obtain for them the sanction of higher authorities for their security and lasting duration.

These sentiments and designs were declared more formally and explicitly in my last letters, and confirmed by declarations consonant to them from Mr. *Macpherson*, whose conduct towards the Nabob of Owde, which was no less seasonable in its operation than liberal in its principle, would serve as a yet stronger assurance of the continuation of the same spirit influencing our government to all who had the opportunities of viewing our transactions with that state, and who were acquainted with the differences which had formerly subsisted between us respecting it. Nor was it in letters only that I strove

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to inculcate and proclaim this expectation. I enforced it by verbal assurances to the foreign agents and ministers resident in Calcutta, some of whom had for many years been my constant attendants, and by suitable instructions to our own.

In a word, I considered it as a duty indispensable with the act which I was about to perform, to guard it by all possible means against all possible ill consequences; not by the ostensible forms and cold language of official notification, but by the use of every honest practice that could be suggested by a zeal determined on accomplishing its purpose. What remains for the part of my successor is easy, and I have no doubt of the effect being such as to expose me to abundant ridicule, if ever
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these sheets shall become publick, for attributing to myself so much importance as to apprehend any consequence whatever from my being in or out of an office, in which I possessed so little of real influence. If the reverse should happen, I may be as much censured for not having foreseen it as unavoidable.

I shall subjoin in the Appendix a translation of two of the letters written on the preceding occasion from Mr. *Macpherson* and myself, with a list of the rest, and their general substance.

I shall now endeavour to describe in as a minute a manner as possible the state of affairs as they stood at the time of my departure in every department of the Government,

vernment, and close it with such necessary observations as shall occur to me respecting it.

The political state of Bengal claims the first place in this description, not so much from its conceived as from its real and intrinsic consequence. I make this distinction, because I know that every sentiment of my own on this subject will be repugnant to the opinions of many, and liable to the cavils of every man who looks only for an occasion of cavil.

This head may be divided into two parts; the first, its relation to foreign European states; the second, its relation to those of India.

First;

First; The States of Europe, which I rank in the following order, as best agreeing with their respective consequence in India: the French, the Dutch, the Danes, and Portuguese. When I left Bengal, the French had not yet reclaimed the possession of their factories; and the old inhabitants of Chandenagore still drew their subsistence from the bounty of the Company. I apprehend no difficulty from their return, as they are intitled to no greater privileges by the treaty of peace, than those which they possessed before the war. But if the agents, who are commissioned to receive their possessions, are of captious characters, or are instructed to make unreasonable demands, they may give trouble; which, however, may be easily avoided by a refusal on our part to

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~~agree~~ with them, referring every point of dispute to the letter of the treaty, for which a provision is made in it; and leaving them to appeal to Europe for any other pretensions.

The Dutch were replaced in their settlements, the form of displaying their colours being ^{singly} denied them, until they were intitled to complete possession by the execution of those stipulations of the treaties with France and Holland, which prescribe that the restitution of all conquests, made by each nation on either of the others, should take place at the same period of time; the French still retaining Cuddalore. The Dutch received this concession without thanks, and complained in coarse and indignant terms of the national

tional distinction being withheld from them.

The Danish settlement of Fredericknagore was become a great resort of trade, and the chief, Mr. *Bie*, whose behaviour, as well as that of his predecessors, had been invariably humble and unassuming, had lately adopted a tone of independance, and laid claim to immunities in virtue of a pretended firmaun, of which he refused to produce a copy.

The exclusion of the French and Dutch during the past years of war, and the security with which their ships navigated the India seas, while ours were subjected to great risques and high rates of insurance, had thrown almost the whole
trade

trade of Bengal into their hands. To this effect two other causes contributed; one, the exemption claimed by the Danes, and in part obtained, though disputed, from the rigor of our offices of custom; and the other, the assistance afforded them (as I have always understood and believe) by British subjects, under the Company's protection, in providing their investments. The former of these causes is likely to operate with a more extensive mischief when the French and Dutch are completely restored to their factories, and resume the privileges of their trade. Nor can I devise any better expedient for obviating it, although I have given it much and frequent consideration, than a total abolition of all duties whatever; for in what way soever they may be modified,

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the foreign settlements will dispute our right to search ~~our~~^{their} ships, or levy the duties on their trade by detail; and they will of course pay much less than the merchants of our own dependance.

It is true that the British government, having the power, might with ease repress every opposition to its rights, and to the rules which it has prescribed to the navigation of the river Ganges, which is its proper dominion: but if a brutal commander shall refuse to admit the visits of our officers, and ill-treat them, I am not sure that it will be always prudent for the members of government to punish the outrage, although it would certainly be their duty to do it; since it would, without fail, become a subject of passionate
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and exaggerated appeal from the suffering party to its constituent state; and if it should not suit the situation of our own at the time to hazard an open rupture with it, an easy sacrifice might be made of the devoted offenders, and that conduct, which in a better supported member of the British dominion, would be applauded and rewarded, would in this instance be reprobated, with the aid and influence of that fashionable prejudice which ascribes every act of the government of Bengal to improper motives, and brands the authors with criminality.

One example may be quoted to contradict this reflection, which, therefore, I shall state to justify it.

A little

A little before the beginning of the late war a French ship did refuse to admit an officer from the fort of Budge Budgea, though his orders were no more than to require the name of the ship, and the nation it belonged to. The Governor General and Council, after much temperate consideration of the case, deemed the insult offered to their authority, connected with the peculiar time of its commission, a proper ground for checking it as a first attempt to infringe their privileges. An order was issued to prevent the ship from passing the batteries of Fort William, for it had been suffered by the delay to pass those of Budge Budgea, until it had complied with the law of the port; and the commander persisting, some blood was unhappily spilt, in consequence of which he submitted.

submitted. Vehement remonstrances and protests were issued against us by Mr. *Chevalier*, who was never slack upon such occasions: and there is no doubt that his representation of the affair was not less violent to the court of France: but the war in the meantime breaking out, sunk this with other similar grievances in oblivion. It must be acknowledged, that our behaviour in this instance passed with impunity; but on the other hand it received no approbation from home; and I humbly conceive that such an act ought in the first instance to have been either expressly condemned, and the repetition of it prohibited under severe penalties, if wrong; or if right, not barely approved, but liberally commended.

Besides the difference arising from the resistance which I have described, there is another occasioned by the adherence to an ancient right which the Company possesses, to collect a duty on all goods imported into the town of Calcutta, or exported from it. During the long indecision of the question of territorial right, an obvious policy will keep up the exercise of every acknowledged right which the Company possessed before they had acquired more than their ancient commercial territory, and the Custom-House of Calcutta is one of them. Were this question determined, and the commercial and territorial property adjudged to the same primary charge, it would certainly be advisable to abolish this duty, since it subsists to the great injury of the trade of the Presidency,

Prefidency, which is subjected to a double payment and the vexations of two offices, while the dependants of the foreign settlements pay but to one, and that but partially.

A total abolition of all the customs, with a due reservation of the Company's ancient right, and of course the removal of all the chokies, or places established for levying them, which no regulations or vigilance of Government have been able to restrain from being an intolerable oppression on the native traders, would abundantly diffuse the trade of the provinces, and by the natural effect of multiplied competition increase both their wealth and resources of revenue. This measure is liable to one strong objection:

Its effects, though demonstrable, would be secret and constructive; but the sacrifice made to obtain them, would be immediate and visible, in the loss of eight or ten lacks, which are now annually brought to account from the collections of the customs, and in the enhanced prices of the Company's investment.

The Board had taken some steps in the investigation of this subject, but without any satisfactory result; nor is it likely that they will have proceeded in it in the present state of their authority.

The other cause to which I have attributed the growth of the Danish trade, namely, the collusion of British influence, will subsist, with other evils of much greater magnitude,

magnitude, in defiance of all the orders from home, while those consist in simple prohibitions and denunciations of severe penalties, without co-operative means taken to enforce them, and a generous allowance for the interests, feelings, and natural claims of individuals; without which, all laws will be but the instruments of tyranny, or prove abortive.

For proof of what I have said concerning the actual state of the Danish trade in Bengal, and it may be offered as a collateral proof of the protection bestowed on it by our Government, I shall subjoin in the Appendix No. — a list of their ships which have imported at Frederick-nagore during the last nine months, amounting to no less than twenty-two

vessels of all dimensions, but mostly of three masts, and many of those from Europe, and their burthen altogether to 10,830 tons.

The Portuguese import annually three or more vessels from China, besides others which come directly from Europe. They claim no privileges, receive the protection of the port, and seem to merit encouragement.

I have not mentioned the Americans among the foreign importers; but as their ships have already found their way to China, other adventurers may come to Bengal. No orders have been written from England concerning their reception in such case; and I do therefore conclude,
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that they will meet with encouragement on the general principle, that every accession of national commerce must prove an accession of national wealth. Objections may be suggested to the application of this maxim to the case supposed, but none that will not originate from the equivocal state of the Company's property, which is in a thousand instances hurtful to the general interest; and in this particular case, it may be a sufficient answer to the objection, to say, that if the Americans are denied the direct privilege of the trade of Bengal, they may obtain it indirectly, and to our great loss, through other channels.

Secondly; of the political state of Bengal, with relation to the states of India, and first of the

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MARATTAHS. The peace concluded with the Peshwa through the intervention, and with the guarantee of *Madajee Sindia*, had received every coincident accession of general interest and particular policy which could ensure its long duration; for the general state had recovered by the treaty, all the places which had been taken from it by the war; it had no object in view which it could claim from us, or with which our power stood in competition; and it had more of evil to dread from the ambition and rapacity of its neighbours, who would not fail to take the advantage of their being again engaged in a war with us, than they could hope of good from any success against us. A trivial dispute had arisen between the Government of Bombay and the Administration of Poonah, concerning
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a petty chief of the Marattah dependency, who had drawn on himself the resentment of his superiors by repeated and avowed acts of hostility, and the Presidency of Bombay, in consequence of a treaty of defensive alliance subsisting between them, had interposed with some angry letters to save him. The matter having been referred to us by that Presidency, in this state of it, we clearly decided, that their engagement with him could in no case operate against that recently made with the state of which he was a vassal, much less in that of acts in which he was confessedly the aggressor; and we peremptorily directed them to withdraw their interference.

The minority of the Peshwa, and the degree of independency, confirmed by long prescription,

prescription, which the principal Jagheers, or Feudal Members of the Marattah state, have acquired, and maintain by various adventitious advantages, still liable to be overthrown by the superior pretensions of the sovereign authority whenever it shall be in a capacity to assert them, have created an opposition of inferior policy amongst them, which is more likely to concern our interests in the event of a war, were any other cause to produce a war, than to produce one.

The power of *Nanna Furnees*, the ^{denwan} ~~denwan~~ or minister of the Peshwah, is derived solely from his office, and the feeble and variable support of some of the other Chiefs; that of *Moodajee*, the acting representative of the *Booslab* family, from his high rank and right of territory acquired

by the sanction of written treaties; and that of *Mahdajee Sindia* from his military strength and personal ^{ability} ~~merit~~. The rest deserve no notice.

Nanna Furneefs shewed an early disposition to connect himself with the French, and still maintains a friendly intercourse with them. To this policy he seems to have been impelled more by his dread of the ascendancy of *Mahdajee Sindia*, as it affected his own influence, than by any consideration of the general state: and *Mahdajee Sindia* appears to have formed as early a view to an alliance with our nation, which soon manifested itself in effects incapable of being attributed to any other cause, and has produced its substantial accomplishment in two treaties, one concluded

cluded separately with himself, and the other with the Peshwa, investing him, under the character of guarantee, with a power constructively superior even to that of his own sovereign in all cases which relate to our nation.

The *Booslah* family, possessing a constitutional claim to the sovereignty, a more ascertained right of separate dominion, and but a scanty revenue, stands in continual awe of the superior state, and of every member of it around them, occasionally uniting their interests with each, but principally with *Nizam Ally Cawn*, whose territory lies intermixed with theirs, and who is no less an object of their apprehensions. Their connection with the Government of Bengal, which originated in advances made
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by *Shabajee Booslab* in the year 1773, was continued with his successor *Moodajee*, and has subsisted undisturbed to this time. The interest which they felt in it was manifested by many substantial and uncommon instances of kindness, and though the man who planned this policy is no longer living, there is no doubt that this, as well as every other general measure of his formation, is still followed by the present administration. The person to whom I allude is *Dewagur Pundit*, who was successively *dewan*, or minister, of *Janoojee*, *Shabajee*, and *Moodajee*, and the ruler of all their counsels.

What was his object in soliciting our alliance with so much ardour as he evidently shewed to attain it, cannot with
certainty

certainty be affirmed, though many obvious motives may be assigned for it; and as obvious are the causes, though too long to enumerate, and unnecessary to the present discussion, which have hitherto restrained him and the administration which succeeded, from endeavouring to draw any direct advantages from it: There is no present cause to apprehend any alteration in this disposition of the family, and it will be always the interest of our Government to cultivate it.

It may be proper to mention as a circumstance perhaps not universally known, that the dominion of the *Booslah* family, commonly known by the general name of *Berar*, spreads over a great extent of country adjoining, or intermixed with those of
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the Peshwa, Nizam Ally Cawn, Mahdajee Sindia, and Bengal; and that Nâgpore, its capital, is the central point of all Hindoostan and Deccan.

Having mentioned the different interests which seem to divide the present Members of the Marrattah state, I should leave the subject imperfect, were I not to add, that the Marattahs possess alone, of all the people of Indostan and Deccan, a principle of national attachment, which is strongly impressed on the minds of all individuals of the nation, and would probably unite their chiefs, as in one common cause, if any great danger were to threaten the general state.

Tippoo Sakeb is the next power in consequence. The peace concluded with him
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has every appearance of duration, though ill kept on his part, many of our soldiers and sepoy's being still detained in his hands, and many officers missing of whom no account had been obtained: And for them his plea may be, that they fell the victims of his barbarity before we obtained a right by treaty to their deliverance. Some other symptoms of hostility were said to have appeared near the frontier of the Carnatic, but may have arisen from the mutual suspicions of the contiguous garrisons, and at any rate could not have been of much importance, since as I recollect, two or three companies of sepoy's had been sent to repel them. It is not likely that Tippoo should so soon choose to involve himself in a new war with us, deprived of all his confederates, and these become his rivals; nor that

whenever

whenever he shall have formed such a design, he will suffer it to break out in petty broils with our borderers. Strong indications of approaching hostilities had appeared both between *Tippoo Sahib* and the Marattahs, and between him and *Nizam Ally Cawn*; the Marattahs, wishing to regain their former territory wrested from them by *Hyder*, and *Tippoo* making encroachments on the possessions of *Nizam Ally Cawn*.

Nizam Ally Cawn, the Subadar of Decan, is more respectable from his rank and descent than from any other cause. His dominions are of small extent and scanty revenue; his military strength is represented to be most contemptible; nor was he at any period of his life distinguished

guished for personal courage, or the spirit of enterprize. On the contrary, it seems to have been his constant and ruling maxim to foment the incentives of war among his neighbours, to profit by their weakness and embarrassments, but to avoid being a party himself in any of their contests, and to submit even to humiliating sacrifices rather than subject himself to the chances of war. Yet, if we may judge by events, he may be supposed to possess, with an abundance of the pride of illustrious blood, a sound and discerning judgment. Our nation has no cause to hold him in contempt; for it is indebted to his policy both for the first design and execution of the confederacy formed by himself, the Marattahs, and *Hyder*, which in its consequences had nearly caused our deprivation

deprivation of the Carnatic, and has left it an incumbrance upon us, which no time can retrieve.

Nizam Ally Cawn both avowed himself the instrument of this fatal measure, and justified it on the principle of self-defence against the acts and declarations of the presidency of Fort St. George. The early redress afforded him against both, by the Governor-General and Council, either withdrew him from the confederacy, or yielded him a specious pretext for declining the part which he had engaged to take in it; and from that period we may date his connection with the superior government of Bengal, with which he has ever since maintained a friendly intercourse, and allowed the residence of a minister of

theirs at his Court: allowed, for his fears, not causelessly excited, opposed the reception of a successor to Mr. *Holland*, our first minister, on any other ground than that of an occasional commission durable at his pleasure.

Mr. *Richard Johnson*, the present resident, has recently communicated to the Board the plan of a new and lasting alliance which had been the result of many conferences with the Nabob and his ministers, and consisted, in abridgement, of the following propositions.

First; The restitution of all the Sircars or Northern Districts, obtained from him by the treaty of 1768, for an equivalent in price; explained to be the Sircar of
Guntoor

Guntoor in exchange for all the arrears of the Peshwa^{cugh}~~was~~; and the others for one crore and half of rupees.

Secondly; An alliance offensive and defensive.

Thirdly; A stipulated number of regiments, of native troops, to be stationed with him for a subsidy of 25,000 rupees per month for each regiment; the Nabob in like manner to supply the Company on demand with 5000 cavalry; I forget at what rate^{of pay}; nor is it material, as the condition is not likely to be ever exacted.

Fourthly; The Peshwa to be included as his ally.

Fifthly; That we should acknowledge him the only lawful Subadar of Deccan.

Sixthly; That all other Europeans should be excluded from Deccan and Balagaut.

Seventhly; Confirmation of all former treaties in such articles as were not revoked or altered by this.

Eighthly; That the treaty should be ratified by the King of Great-Britain.

To understand the quality of the first article, which is the most essential, it is proper to mention the following circumstances:—

1st; That the Sircar of Guntoor, estimated to yield a rent of 2,07,500 pagodas,

das, or 7,26,250 rupees, because ^{me}~~the~~ our right of property by the death of *Bissalut Jung*, the brother of *Nizam Ally Cawn*, in whose possession it had been allowed to remain, and our claim to it suspended, during his life. He died on the 25th of September 1782; but the Nabob *Nizam Ally Cawn* retained the possession of it, the circumstances of our affairs not admitting of our then reclaiming it.

2dly; The arrears of the Peshcush for the fircars in our possession, which was five lacks of rupees per annum, stood on the 1st of March 1784 at 31,32,666:5:4, to which that of Gunttoor to the same time was nearly 1,50,000 rupees, making together 32,82,666 rupees.

And

And 3^{dly}; The rent of Guntoor, estimated by the lease granted by the presidency of Fort St. George to the Nabob *Wala Jah* in 1779, at the sum above-mentioned, afforded us a claim of above ten lacks of rupees on the Nabob *Nizam Ally Cawn*.

Of the value of the fircars I avoid to speak. My private opinion furtively obtained stands on the records of the Court of Directors; and has been severely reprobated. But as I do not form my opinions in haste, and what has since past has rather added to the weight of the arguments on which that was founded than diminished it, I need scarcely add, that if I were the sovereign disposer of the Company's actual property and interests, I would most eagerly
accept

accept the terms offered for the release of the fircars with some qualification of the inferior stipulations, where they might appear to clash with other existing engagements.

This transaction has been referred by the present dispatch to the Court of Directors, and Mr. *Johnson* directed to keep the negotiation upon it suspended till their instructions regarding it may be received.

It seems to have been the fixed policy of our nation in India to infeeble every power in connection with it; and I shall not be surprised to see the above proposal combated on that ground with others more defensible. As a general maxim, I affirm it to be a most dangerous one; for
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in every application of it, we inflict a wound on the credit of our faith, and expose those who have trusted to it to the danger of falling a sacrifice to their more powerful and independant neighbours. The Sovereign of Hydrabad can never be an object of apprehension to the Company from any advantage which he derives from his dominions, were they of twice their present extent; but if any intestine or other cause of disorder in the Marattah state, should leave *Tippoo Sabe* at liberty to prosecute and accomplish his designs against them, their accession to his present strength would prove more fatal to the British interests, than any other external event that in the probable course of fortune could befall them.

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The King *Shah Allum* can scarcely be with propriety mentioned among the powers of India. Yet his name and family subsist, with all the latent rights inherent in them; and these are respected in a degree proportioned to their distance from observation, though but little, even by those who most profess to acknowledge their obligation. The wretched apathy and indolence of the Shah himself, render him incapable of availing himself of any support, however powerful, to retrieve his affairs, or even to assume the direction of them in any state. These have been successively administered by *Nudjiff Cawn*, *Mirza Shuffy Cawn*, and *Affrafiab Cawn*. The two last perished by assassination; that of the latter happened on the 2d of November last. *Mabdajee Sindia* having casually

ally arrived in the neighbourhood of the royal camp, which was at Agra, at the time of this event, assumed the charge of the King's administration in the name of the Peshwa, for whom he obtained the royal grant of the office of Wakeel Muttaluk, a dignity of special appointment, and rarely known in the annals of the house of Timur.

What consequences this new assumed policy of the Marattahs may produce, I cannot foresee; but think it more likely to embarrass *Sindia* himself by the burthen of a ruined country and an exhausted revenue, than to add to his own power, or to yield more than a title of faded splendor to his master. I regret it only as it must compel him to adopt a system of caution, which
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will disable him from affording that support which he had promised to the Prince *Jehandar Shah*; but in no respect can it prove hurtful to our interests, or weaken his connection with us.

The *Sics*, who may be considered rather as a sect of schismatics than as a nation, have for some years past taken advantage of the weakness of the King's administration to invade and possess all his northern dominions. For what relates to them, to the King, to the Prince *Jehandar Shah*, and to the actual state of the Marattah power in that quarter, I refer to No. — in the Appendix, in which perhaps, more will be found to gratify curiosity, than to afford useful information to those who do not carry their views far into futurity.

Of

Of the Nabobs *Ajfof o'Dowlab* and *Walab Jab*, I forbear now to ſpeak. Their condition is not to be explained in the limits of a ſummary deſcription, and has been brought to the full view of the Court of Directors, and poſſibly of the public, in volumes which have been written upon both.

I ſhall add ſome reflections upon the general ſubject of the political intereſts of the Company, or of the Britiſh nation in India, which I deem connected with the ſcope and deſign of this review, as they ariſe out of the paſt occurrences, or are connected with the actual ſtate of our affairs; and if in theſe alſo I ſhall appear to ſpeak too much of myſelf, let it be remembered, that the whole of this compoſition

tion is in effect a portion of the history of my own life in those events of it which were blended with the public. Besides, I am not sure that the Company possessed a political character, or can be said to have conducted their intercourse with other nations on any system of established policy, before the period in which I was appointed to the principal administration of their affairs.

I know how readily many will both admit the position, and reprobate the system, and admit me for its author for the sake of reprobating me also for it. I am not its author. The seed of this wonderful production was sown by the hand of calamity. It was nourished by fortune, and cultivated, and shaped (if I may venture

venture to change the figure) by necessity. Its first existence was commercial: It obtained in its growth the sudden accession of military strength and territorial dominion, to which its political adjunct was inevitable. It is useless to enquire whether the Company, or the nation, has derived any substantial benefit from the change, since it is impossible to retrace the perilous and wonderful paths by which they have attained their present elevation, and to redescend to the humble and undreaded character of trading adventurers. Perhaps the term of the national existence in India may have become susceptible of a shorter duration by it; but it is that state which it must henceforth maintain, and it must therefore adopt those principles which are necessary to its preservation in
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that state. To explain those principles, and to shew the necessity of their construction to the duration of the British dominion in India, is foreign from the present design, as it is perhaps too late to attempt it with any chance of its application to any purpose of utility. Yet so much as I have said, was necessary to obviate the common objection, to which every measure and every maxim are liable, which are built on a different ground from that which exists only in the idea of those who look upon the East-India Company still as a body of merchants, and consider commerce as their only object.

I have been represented to the public as a man of ambition, and as too apt to be misled by projects of conquest. Though

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the only two facts on which this imputation has originated, have been refuted on the clearest conviction, and this in the the principal instance is universally acknowledged; the imputation still remains; and I much fear that it has served, with others equally opposite to truth, for the ground of a recent and great national measure, most unfortunate in its construction, if such were the causes of it.

I can affirm, that the charge, so far as it respects myself, and I fear that I stand too conspicuous a mark before my fellow-servants to be missed, or not to have been the aim of its intended direction, is wholly and absolutely false, as it is inconsistent with any motive to which it could be ascribed of pride, avarice, or thirst of power;

*II The Apollon and the
Nassau War*

power; for what profit or advantage could I have acquired, or hoped to acquire, for instance, in a Marattah war; or what reputation in any war, the operations of which must necessarily depend on another, and him either taken in his turn from the roster, or with a choice divided at the most between two or three officers standing at the head of the list of the army? The first acts of the government of Bengal, when I presided over it, were well known at the time to have been of my formation, or formed on principles which I was allowed to dictate. These consisted of a variety of regulations, which included every department of the service, and composed a system as complete as a mind incompetent like my own, though possessed of very superior aids, could form, of military, po-

litical, productive, œconomical, and judicial connection. I found the Treasury empty, the revenue declining, the expences unchecked, and the whole nation yet languishing under the recent effects of a mortal famine. Neither was this a season for war, nor, occupied as I was in it, would candor impute to me even a possible disposition to war. The land required years of quiet to restore its population and culture; and all my acts were acts of peace. I was busied in raising a great and weighty fabric, of which all the parts were yet loose and destitute of the superior weight which was to give them their mutual support; and (if I may so express myself) their collateral strength. A tempest, or an earthquake, could not be more fatal to a builder whose walls were uncovered, and his unfinished

finished columns trembling in the breeze, than the ravages or terrors of war would have been to me and to all my hopes.

I laid my plans before the Court of Directors, and called upon them to give me the powers which were requisite for their accomplishment and duration. These were silently denied me, and those which I before possessed, feeble as they were, were taken from me. Had I been allowed the means which I required, I will inform my readers of the use to which I intended to apply them. I should have fought no accession of territory. I should have rejected the offer of any which would have enlarged our line of defence, without a more than proportionate augmentation of defensive strength and revenue. I should

have encouraged, but not solicited, new alliances; and should have rendered that of our government an object of solicitation, by the example of those which already existed. To these I should have observed, as my religion, every principle^{le} of good faith; and where they were deficient in the conditions of mutual and equal dependance, I ^{sh}ould have endeavoured to render them complete; and this rule I did actually apply to practice in the treaty which I formed with the Nabob *Shujah o'Dowlah* in the year 1773.

With respect to the provinces of the Company's dominion under my government, I should have studied to augment both their value and strength by an augmentation of their inhabitants and cultivation.

tion. This is not a mere phantasy of speculation. The means were most easy, if the power and trust were allowed to use them. Every region of Indostan, even at that time, groaned under different degrees of oppression, desolation, and insecurity. The famine which had wasted the provinces of Bengal, had raged with equal severity in other parts, and in some with greater, and the remembrance of it yet dwelt on the minds of the inhabitants with every impression of horror and apprehension. I would have afforded an asylum in Bengal, with lands and stock, to all the emigrants of other countries: I would have employed emissaries for their first encouragement; and I would have provided a perpetual and proclaimed incentive to them in the security of the community from foreign molestation,

leſtation, and of the individual members
 from mutual wrong; to which purpoſe,
 the regulations already eſtabliſhed were
 ſufficient, with a power only competent
 to enforce them. And for the ſame pur-
 poſe, and with a profeſſed view to it, I
 early recommended, even ſo early as the
 year 1773, the erection of public grana-
 ries on the plan ſince happily commenced,
 though late, and of which I think the de-
 ſcription worthy a place in the Appendix,
 where I ſhall therefore insert it No. —

Thoſe who have been in the long habits
 of familiar communication with me, whe-
 ther by letter or by diſcourſe, will know
 that the ſentiments which I have been
 deſcribing are of as old a date as that of
 my late office in the firſt appointment and
 ſtate

state of it. And to every candid reader I appeal for his conviction of their effect, if I had been permitted to follow their direction: for what man is there so immovably attached to his native soil, as to prefer it, under the scourge of oppression, the miseries of want, and the desolation of war, embittering or destroying every natural affection, and ultimately invading the source of life itself, to a state of peace, of external tranquillity and internal protection, of assured plenty, and all the blessings of domestick increase?

Those who have seen, as I did, in a time of profound peace, the wretched inhabitants of the Carnatic, of every age, sex, and condition, tumultuously thronging round the walls of Fort St. George,
and

and lying for many successive days and nights on the burning soil, without covering or food, on a casual rumor falsely excited of an approaching enemy, will feelingly attest the truth of the contrast which I have exhibited in one part of it, and will readily draw the conclusion which I have drawn from it, even without attending to the rest. That such a state as I have described would have been attained without imperfection or alloy, I do not pretend to suppose; but I confidently maintain, that under an equal, vigorous, and fixed administration, determined on the execution of such a plan to its accomplishment, it would have been attainable, even with common talents prosecuting it, to a degree as nearly approaching to perfection as human life is capable of receiving

receiving. The submissive character of the people; the fewness of their wants; the facility with which the soil and climate, unaided by exertions of labour, can supply them; the abundant resources of subsistence and trafficable wealth which may be drawn from the natural productions, and from the manufactures, both of established usage and of new introduction, to which no men upon earth can bend their minds with a readier accommodation; and above all, the defences with which nature has armed the land, in its mountainous and hilly borders, its bay, its innumerable interfections of rivers, and inoffensive or unpowerful neighbours; are advantages which no united state upon earth possesses in an equal degree; and which leave little to the duty of the magistrate;

gistrate; in effect, nothing but attention, protection, and forbearance.

But though I profess the doctrine of peace, I by no means pretend to have followed it with so implicit a devotion as to make sacrifices to it. I have never yielded a substantial right which I could assert, or submitted to a wrong which I could repel, with a moral assurance of success proportioned to the magnitude of either; and I can allude to instances in which I should have deemed it criminal not to have hazarded both the publick safety and my own, in a crisis of uncommon and adequate emergency, or in an occasion of dangerous example.

I have

I have ever deemed it even more unsafe than dishonourable to sue for peace; and more consistent with the love of peace to be the aggressor in certain cases, than to see preparations of intended hostility, and wait for their maturity, and for their open effect to repel it. The faith of treaties I have ever held inviolate. Of this I have given the most ample and publick testimonies in my conduct to the Nabob *Shuja o' Dowlah*, to the Nabob *Affof o' Dowlah*, the Nabob *Walla Jah*, to the Rana of *Gobid*, to the Nabob *Nizam Ally Cawn*, *Rajah Futtch Sing*, and *Mahdajee Sindia*; and I have had the satisfaction of seeing the policy, as well as the moral rectitude of this practice, justified by the exemplary sufferings of all who have deviated from it in acts of perfidy to myself, or to the government

government over which I presided during the time that I have had charge of it.

If in this display of my own character, I shall appear to have transgressed the bounds of modesty, I shall not decline the charge, nor fear to aggravate it by adding, that I have never yet planned or authorised any military operation, or series of operations, which has not been attended with complete success, in the attainment of its professed objects; and that I have never, in any period of my life, engaged in a negociation which I did not see terminate as I wished and expected: and let this conclusion be offered as an undeniable proof of the propriety and efficacy of the principles on which I have regulated my conduct in both.

It

It would not be either an unpleasing or an unprofitable employment to turn from the survey of our neighbours, and from the contemplation of their views, interests, powers, and resources, and to look back on our own; mixing with the reflections obvious to our habits of thinking, those which would occur to the people with whom we have been engaged in past hostility, or who may expect to be eventually concerned with us, whether as friends or foes, in future operations. Very different would be the observations made by a spectator in such a point of view, from those which pass in the mind of a mere individual, through the clouded medium of his own wants and feelings, and with the terrors and discontents of his fellow-citizens aggravating his own:

and

and such, perhaps, as the following would be his reflections, as the different objects of his contemplation passed in succession before him.

No state can carry on extensive military operations for any length of time, without imposing some burthens upon its subjects, or subjecting them to consequent inconveniences; and those that suffer will complain, and condemn measures which create partial exigency, without considering their object and tendency. To the complaints of individuals, the adherents of party will superadd their accusations, exaggerate the temporary evil that exists, and darken by despondency the bright expectations of a future period. Such particularly has been the case in Bengal; and murmurs, suspicions,

cions, and despair, have been transmitted from India to England.

In proportion as our distresses have been, or have appeared to be, pressing, the power, resources, and advantages of our enemies have been supposed to accumulate; and an idea is adopted without reflection, that the cause which diminishes our resources, operates on one side only, without producing a similar effect on the strength of our enemies; as if it were in their power to marshal armies, and undertake military expeditions, without any augmentation of expence or distress to individuals. With as limited a judgment men are apt to draw conclusions from the errors and deficiencies of government, and the mismanagement of military operations,

tions, not reflecting that our adversaries have also their difficulties to surmount, which arise out of the imperfection of human policy and the depravations of self-interest; and that the fortune of contending states, as of simple individuals, as often turns on the different effects of their mutual blunders and misconduct, as on the superiority of skill and exertion.

But widely different is the estimate formed, by those whom necessity has led us to oppose or attack, of our strength and resources. They behold with astonishment the exertions that have been made from the banks of the Ganges; and reasoning as we have done from their own distresses, lament the necessity that has engaged them in wars with a power capa-

ble

ble of making such exertions, and whose resources, instead of being diminished, must appear to them to augment. Instead of being able to extend their incursions to the capital of our dominions, which at a period little remote from the establishment of the Company's authority they did with success; they find themselves attacked in the centre of their own territories, and all their exertions required for the defence of them. They find, notwithstanding the temporary success they have derived from accident or mismanagement, that we have fresh armies ready to take the field, and that whilst our spirit is unabated, our strength is sufficient to give efficacy to its resolutions.

The conclusion I would draw from these premises is, that the vigorous exertions which we have made for the defence and security of our own possessions, have impressed an idea of our strength and resources among the powers of India, which will, more than any other motive, contribute to establish the present peace on a firm foundation; to shew that if our resources have suffered a diminution, those of the states with which we have been engaged in war, have felt, in probably a greater degree, the same inconvenience; and finally, to evince the propriety of those exertions, notwithstanding the expence with which they have been made, by the event itself, which has evidently proved to all the powers of Hindostan and Deccan, that their combined strength and
 politicks,

politicks, assisted by our great European enemy the French, have not been able to destroy the solid fabric of the English power in the East, nor even to deprive it of any portion of the territories over which its controul extends.

R E V E N U E S.

The three principal sources of the revenues enjoyed by the Company in Bengal, are, the land-rents, salt, and opium.

The system established in February 1781, for the management and collection of the land-rents, has continued to the present period, without any material variation; and the complete information which has been laid before the Company upon this subject, renders particular explana-

tions superfluous: I shall therefore content myself with inserting a few general remarks.

The establishment of the present Committee of Revenue, or some other founded on the same principles, appears to me the properest mode of agency that can be adopted for the controul of the revenue department.

The system of government in Bengal is so complicated, and embraces so many and distinct objects, that it would be difficult for any set of men who may become members of the supreme administration, to enter into the detail attending the revenues; and this difficulty will amount to an impossibility, if those who possess
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the supreme controul should be appointed members of it without any previous local knowledge and experience.

It will be observed, that the amount of the settlement annually varies, and that it has never been compleatly realized without some balance. I may venture to affirm, that this has been the case for the last century, and that our predecessors the Mahomedans, though possessed of advantages which a fluctuating European administration can scarce ever hope to attain, cannot boast of ever having collected the entire annual assessment. It may perhaps, in time, be possible to prevent nearly any diminution either in the amount of the settlement or collections; but whilst the government requires so large a proportion

portion of the produce of the country, causes beyond the reach of human controul will occasionally operate, to render some indulgence in favour of its subjects indispensable; and the formality of agreements will but ill justify the rigour of exaction.

With respect to the amount of the present settlement, I am so far from deeming it too heavy, that I am clearly of opinion, it may by prudent management, formed upon local experience, ^{admit} ~~amidst~~ of an increase. I speak generally; for the particular distribution will in many instances be found unequal; a defect in the system, which can never be remedied by any permanent rule, but must be corrected by temporary application according
to

to the exigency of particular circumstances.

The publick in England have of late years adopted very high ideas of the rights of the Zemindars in Hindostan; and the prevailing prejudice has considered every occasional dispossession of a Zemindar from the management of his lands, as an act of oppression. I mean not here to enter into any discussion of their rights, or to distinguish between right, fact, and form, as applied to their situation. Our government, on grounds which more minute scrutiny may, perhaps, find at variance with facts, has admitted the opinion of their rightful proprietorship of the lands. I do not mean to contest their right of inheritance to the lands, whilst I assert

assert the right of government to the produce thereof. The Mahommedan rulers continually exercised, with a severity unknown to the British administration in Bengal, the power of dispossessing the Zemindars on any failure in the payment of their rents, not only pro tempore but in perpetuity. The fact is notorious; but lest proof of it should be required, I shall select one instance out of many that might be produced; and only mention that the Zemindary of Rajeshahy, the second in rank in Bengal, and yielding an annual revenue of about twenty-five lacks of rupees, has risen to its present magnitude during the course of the last eighty years, by accumulating the property of a great number of dispossessed Zemindars, altho' the ancestors of the present possessor had
not

not by inheritance a right to the property of a single village within the whole zemindary.

I shall only further observe on the proposed plan of restoring the Zemindars to the possession of their lands, and the management of their revenues; that unless care should be taken at the same time to establish some mode of guardianship, with a view to remedy the defects of minority, profusion, and incapacity of the Zemindars; their restoration, which carries with it the appearance of justice, will often terminate in acts of the greatest severity; in the total dispossession of the Zemindars, or in concessions on the part of government in their demands for the revenues.

It

It may not be improper to take notice of the assiduity exercised in establishing a belief in Europe, that the collection of the revenues in Bengal is enforced by repeated acts of personal severity. No proof has yet been exhibited to the publick ~~in proof~~ of this assertion; and I might content myself with this observation, without adding that the fact is incapable of proof, since it does not exist. During the last four years, a proportion, exceeding one half of the whole revenue of Bengal, has been received at the Khalsa in Calcutta from the different renters, without any intermediate agency; and I am authorised in affirming, that during this period, a single instance cannot be produced of any renter having been beat there, for the purpose of compelling the payment of his stipulated rent.

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I shall close this subject with a reflection, that appears to me too important to be omitted. In recommending the institution of the Committee of Revenue, I mean it with a reserve, that the express objects designed by it, should be carried into execution. The candour and sincerity which I have ever professed in giving my opinion to the Company on matters of importance to their interests, or of even personal concern to myself, call upon me to make a confession, which other motives should induce me to conceal. I acknowledge that some parts of this institution, which depended upon the supreme administration in Bengal for their completion, still remain unaccomplished; that even its professed and fundamental object of making Calcutta the place of receipt of all the

the revenues, without passing through the subordinate treasuries, has been defeated by causes which my situation did not allow ^{me} to controul. This object comprehended the gradual removal of the different collectors, as fast as their services could be dispensed with, and on this account only was unattainable. If the same act of the legislature which confirmed me in my station of President over the Company's settlements in Bengal, had invested me with a controul as extensive as the new denomination I received by it indicated; if it had compelled the assistance of my associates in power, instead of giving me opponents; if, instead of creating new expectations which were to be accomplished by my dismissal from office, it had imposed silence on the interested clamours

mours of faction, and taught the servants of the Company to place their dependance upon me, when^{re} it constitutionally rested; if, when it transferred the real controul over the Company's affairs from the Direction to the Ministers, instead of extending, it had limited the claims of patronage, which every man possessing influence himself, or connected with those who possessed it, thought he had a right to exert; and if it had made my continuance in office to depend upon the rectitude of my intentions, and the vigour with which they were exerted, instead of annexing it to a compliance with those claims; I should have had little occasion, at this period, to claim the public indulgence for an avowal of duties undischarged. But the reverse took place in every instance. I mean to
 apply

apply these reflections, though suggested by one circumstance only, to my situation in general.

If the interests of the nation are truly consulted, a total change in the system must take place: For whilst private interests are allowed to stand in competition with, or in opposition to, arrangements founded on the public good; whilst those who censure the concessions made to them in all instances which have not a reference to themselves, or to their connections, still persist in recommending them; and whilst the official existence, public reputation, and private fame, of the members of the government in Bengal are maintained or sacrificed in proportion to the concessions made, or withheld, the interests

terests of the British nation in it must
verge to a decline.

Enough has been said to shew the ~~the~~ *pernicious*
~~fatal~~ consequences of this system, which
is publicly proscribed, and privately sup-
ported; which no man dares avow, yet
many combine to maintain. To discuss it
more minutely would be invidious, and
perhaps entail upon me resentments,
which, though I do not fear, I would wish
to avoid. I have made a sufficient sacri-
fice to truth; my successors in office may
perhaps benefit by this confession. The
duties and functions of the supreme go-
vernment in India will never be well dis-
charged, unless it meets with the confide-
ration due to it.

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But

But to return from this digression to the two remaining sources of the revenues, the salt and the opium. My observations on both will be short.

The plan for the management of the salt, was of my formation. The minuteness of investigation employed to fix the stamp of demerit on my plans in general, will justify the seeming vanity of asserting my claim to approbation for the success of one institution at least, which in its outset was opposed, and condemned universally. The intricate, desultory series of management, which was formerly applied to this department, has given place to one uniform system of controul; the perplexity of the former accounts of the salt no longer exists, and the advances for the manufacture

facture of the quantity produced, and the amount gained, are made to appear in clear, concise statements; an uncertain collection has been gradually improved into a permanent and increasing revenue; and as long as Mr. *Vanfittart*, or some other person of qualifications equal to his, shall preside over the office, and be allowed to conduct it according to the rules of its institution, I may venture to assure the Company of an annual revenue of fifty lacks of rupees from this department, being the clear and nett amount of a new and simple appropriation of a natural source of revenue to the publick stock, without tax or exaction; substituted in the place of an old system of artificial intricacy, by which, in the process of the last three years of its existence, the Company

had sustained a loss, instead of deriving a benefit from it.

The conquest of a foreign principality, which had added half a million of pounds sterling to the national income; a splendid extension of dominion; and a large store of lucrative offices to ministerial patronage, though purchased with the blood of thousands, maintained with an enormous expence of fortresses and military garrisons, and the hazard of national disgrace, with the loss of it; would have crowned the warrior, by whose fortunate valor it was won with deathless glory, and votes of parliamentary thanks, bonfires, and illuminations, would have proclaimed his praise and the publick triumph. A bloodless accession of public income, gained

ed by the silent operation of official arrangement, perpetuated in its duration, and fixed in its value by its inherence to the essence of the state itself, unincumbered with military establishments and frontier defences, and ministering subsistence to a whole people both in its immediate distribution as a necessary of life, and by the returns of a foreign commerce, is allowed to sink unnoticed in the blended accounts of the general treasury, because it was not produced by any of those efforts of the mind to which human pride has affixed the claim of renown, and in which every man appropriates to himself a share of the national glory.

It is well known to those few who have access to the records of the government of

Bengal, or rather to the fewer who may have imposed on themselves the heavy labour of perusing them, that the measure which produced this fund was not only of my formation, but undertaken against the judgment of all my colleagues, and barely suffered to pass with the responsibility of it at my own re-iterated instance thrown exclusively on myself for its success. Surely then I may be allowed to make this display of its acknowledged merits, since its failure would have entailed on me endless disgrace, with the aggravated reproach of presumption, ignorance, and warned temerity.

It has also been urged as a reproach against me, that in providing the opium by contract, I have consulted the interests
of

of my friends in preference to those of the Company. This charge, like many others, has often been repeated, and as often refuted; I shall therefore only briefly remark, that whilst the manufacture of opium was managed by the Company's servants in the Behar province, the profit upon the sales was too inconsiderable to be deemed an article of revenue; that the Company, in consequence of contracting for the provision of opium, have in fact derived a certain annual income from an article which scarcely yielded any before, by appropriating to themselves those profits which were diverted^{rt} into other channels; and that I know no law either moral or municipal, that should preclude my friends from taking upon themselves the ~~charge~~^{nce} of an engagement, the profits of which

which were to arise from their skill, industry, and exactness in the performance of it. It must be remembered, that this remark, as well as the reproach, applies to a single instance only.

I have already spoken of the population of the country, and shall conclude the subject of the revenues with some observations on the state of cultivation: I am authorised by my own experience to assert, what every man who has resided long in Bengal, and has had opportunities of visiting the countries beyond the Company's jurisdiction, is qualified to confirm, that the territorial possessions of the English in Bengal and ^{Bahar} ~~Beyhar~~, are not only better cultivated than the lands of any other state of Hindostan, but infinitely superior to
what

what they were at the time the Company received the grant of the Dewanny, or for many years preceding that period. It is also a fact, that the produce of the lands in common years, so much exceeds the quantity required for the consumption of the people, or for the purposes of exportation, that the difficulty of converting it into specie considerably affects the collection of the revenues in many parts of the country, and in some degree distresses the Ryots to furnish their stipulated quotas of rent; that there is no country in the world, where the inhabitants in general procure a subsistence with the same ease and cheapness as in Bengal; and that, if by any sudden exertion of industry, the quantity of land in cultivation could be greatly increased, the Company would
 derive

derive no advantage from it, nor the labourers receive any compensation for their toil.

I have often with pleasure expatiated on the peculiar talents of the late Mr. *Cleveland*, in civilizing the inhabitants of the mountainous districts of the Jungleterry, or wild and hilly lands of Rajemehal, by a system of conciliation which will long endear his memory to those who have felt the benefits of it; and I cannot deny myself the gratification arising from the reflection that the exertion of those talents was in great measure owing to the publick support and private encouragement which he received from me. In the honours bestowed upon his memory the Board have consulted the interests of the
Company,

Company, by holding forth for imitation a character so worthy of it. The immediate advantages of his labours are seen in the security which the inhabitants of the adjacent lands possess; no longer apprehensive of being plundered of the produce of their labour by a lawless banditti, they have extended their cultivation over large tracts of land, till lately impassable; and the country at the bottom of the Rajemehal hills, which I myself have seen in a state of nature, has assumed an appearance of universal fertility. The remote advantages will be more considerable, should the continuance of the same plan of civilization increase the intercourse which has so lately been established between the inhabitants of the hills, and those of the low lands. At all events, the Company have acquired
a large

a large accession of new subjects, who are not only peaceable in themselves, but have been successfully employed in maintaining the peace of the country, and who being warmly attached to us, by the superior benefits they have received from their civilization, may, in case of public exigency, be usefully employed in the defence of our territories against foreign invasion.

Of the business of the commercial department, I shall speak but little. It is a subject of too great extent, and involves too many nice and important questions to be fully comprised in the narrow limits which I have prescribed to myself in this summary review; yet I cannot pass it over without a few reflections.

The

The instructions which the Court of Directors framed in consequence of the act of the 13th, and transmitted to Bengal, marked the first limits of the respective powers of the general and commercial departments; and in fact constituted the latter independant on the former. The provision of the investment was left to the sole management of the latter; the salaries of its members were fixed; and it was expressly declared, that they should not be liable to be suspended, or dismissed by the authority of the general government. The only power which was given to the Governor-General and Council relative to the Board of Trade, was that of supplying the necessary funds: but this power afforded them no means of controul over the conduct of that Board in the provision
of

of the investment, or the application of the money; since in the exercise of it they must be regulated by other considerations than the conduct of the Board of Trade; for whatever that might be, the supplies must be the same, and could not be either withheld or diminished without a material injury to the Company's affairs. Yet this was the only power that the Governor-General and Council possessed. Men whose salaries were fixed, and who neither held their appointments, nor could be removed from them, by the authority of the Governor-General and Council, naturally felt themselves independant; and the consequence has been, that the Governor-General and Council, instead of attempting to controul the management of the Board of Trade, have been even unable to impose

pose on their correspondence those restraints of decency and respect which are due from one publick body to another. In one instance only has it been in the power of the Superior Government to interfere with the management of the Board of Trade, and in that their interference was attended with an immediate and acknowledged advantage to the Company.

I allude to the provision of the investment in the years 1781, 1782, and 1783, by means of the subscription loan, when the members of the Board of Trade resident in Calcutta, to whom the charge of it was entrusted, acted rather as the factors of the superior Board than as agents for the Company in their official and collective character.

But

But the power of interference, which the Board exercised in this instance, was grounded on very peculiar circumstances which may never again occur; and it is not therefore to be considered as an exception tending to invalidate the general position which I have asserted, that the Board of Trade, in the provision of the investment, are constituted independant of the Governor-General and Council.

Yet in all the late correspondence from Europe, the Court of Directors seem to consider the responsibility as primarily vested in the Governor-General and Council. Whether applause or censure result from the management of the business of providing the investment, it is to the Governor-General and Council that the
 strictures

strictures of the Court of Directors are expressly directed and applied. They are afterwards, indeed, communicated by them to the Board of Trade; but applause and censure equally lose their force when they are not openly and pointedly applied, and when they pass through the medium of others, who may diminish their efficacy by participation, but, possessing no authority themselves, cannot increase it in the conveyance.

From these premises I have demonstrated, that the management, direction, and execution, of all matters relative to the Company's commerce, are wholly and independantly vested in the Board of Trade, whilst the responsibility virtually rests with the Governor-General and Council.

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This

This is so absurd a contradiction of principles, that it is sufficient to have proved its existence without tracing its consequences. In a former part of this review, I have avowed my opinion that the attention of the superior government of Bengal should not be perplexed with the intricacies of commercial detail; but it is clearly expedient, that either some degree of efficient controul should be vested in the Governor-General and Council, or the responsibility wholly withdrawn from them, and transferred to the Board of Trade. These are questions for the Company to determine. I do not offer any opinion on them at present.

The next defect which I have to point out in the constitution of the Board of
Trade

Trade proceeds from the rule established by the Company, that all their servants, according to their seniority of rank in the general list, shall succeed to the seats becoming vacant at the Board of Trade. This is founded on principles of justice towards their servants; but it is productive of essential injury to their own affairs.

The general government, and the commercial department in Bengal, which might otherwise be considered as two separate and distinct lines, are so blended in this respect, that the persons who fill the inferior stations of either are all chosen from the general list of servants under the authority of the Governor-General and Council. The business however of ~~each~~ *each* requires very different talents, and to ex-

cel in either, habitual practice and long application are necessary: so that although removals are not positively prohibited, few ever change the line in which they have once engaged, until they arrive at a certain rank in the service; when *all*, whatever their talents may be, and whether they desire it or not, must rise into the Board of Trade; by which means often the services of those who have made the revenues or other branches of the general department the objects of their study and attention, are lost to the Company; and they are thrown into a line where all the ^{ir} former knowledge becomes totally useless, and they are destitute of that which they ought to possess; probably too late in life to study a new profession; their minds are therefore disgusted at the change; and
their

their thoughts are bent on returning to their native country.

If the servants of the commercial department were compleatly separated from those of the general government, it might perhaps be proper, when no particular objection existed, that the former should rise according to their seniority of rank to fill the vacant seats of the Board of Trade. But whilst the servants of both departments continue to rank in one general list, seniority should be set aside, or only allowed the preference where equal talents and knowledge come into competition. I do not pretend to say whether the right of choice should rest in the Court of Directors at home, or in the superior government in India.

Another defect in the present constitution of the Board of Trade consists in the number of its members. Four members have been thought sufficient by the legislature of Great-Britain for the general government of India; and the Company have thought fit to continue the original number of members in the Board of Trade, which is no less than eleven. For what purpose is there so great a difference? It will never be alledged, that the objects of deliberation of the latter are more important or numerous than those of the former. It will perhaps then be said, that they have a greater detail of executive transactions. This is not true; and if it were admitted, I would require no other grounds for reducing the number; for I affirm, and every man who has been conversant

versant in the practice of Boards must be sensible, that the detail of minute executive transactions is more correctly and expeditiously conducted by a few, or even by a single man, than by many. The Company's investment was never, I believe, at any time better managed than in the year 1773, when it was left to the sole superintendancy of Mr. *Aldersey*.

Possibly it will be observed, that although the Board of Trade consists of eleven, yet there is never that number assembled at the Presidency, it being an established rule, that four of the commercial chiefships shall be filled by the members in rotation. This also I affirm to be one of the defects of their constitution. The charge of the subordinate stations
should

should never be given to persons possessed of a right to vote at the Board; for under such circumstances, their merits will seldom be impartially scanned: either their faults will be overlooked, or if party disputes should unhappily prevail, their exertions will be disturbed and checked by unnecessary cavils.

In these observations which I have made on the defects of the present system, I do not allude to any particular instances. I speak only of general principles, which must always invariably produce the same consequences. I shall now offer a few remarks on the general subject of the Company's commerce in Bengal.

Although

Although we have so long been in possession of the sovereignty of Bengal, and have provided our investments, not as the returns of commerce, but as the means of remitting the surplus of the revenues of the country; yet we have not been able so far to change our ideas with our situation, as to quit the contracted views of monopolists for objects tending to promote the prosperity of those territories, from which we derive so valuable a tribute.

Hence it is, that in all the correspondence of the Board of Trade, we find constant complaints of private merchants making advances to the Company's weavers; of their giving greater prices than have hitherto been given by the Company;
of

of their debasing the quality of the manufactures by taking off goods which the Company refuse; and in short, of their injuring the provision of the Company's investment by their competition and interference. Let all this be. It is of less consequence, considered as a national concern, that the investment should be procured cheap, than that the commerce of the country should flourish; and I insist upon it, as a fixed and uncontrovertible principle, that commerce can only flourish when it is equal and free. Nor in truth do I think that the Company, considered merely in their mercantile capacity, would much suffer from the operation of such a principle. When commerce is left to itself, it will correct its own evils. The private merchant, ever quick-sighted to his interest,

will

will only maintain a competition whilst a profit is to be derived from the trade; and so long as he derives a profit, the Company ought to derive one also. But if in the course of this competition, the prices paid to the manufacturers should rise beyond their just proportion compared with the sales, or if the market in Europe should become over-stocked, the private merchant will soon desist, prices will fall in India to their former rate or even lower, and the stock in the market, from not being supplied as usual, will again be reduced to a quantity more proportionate to the demand. This must inevitably be the consequence, whilst the consumption continues, and cannot be supplied (which I believe is the case with most of the articles of the Company's trade) from the productions of any other quarter of the world.

If,

If, however, the Company's investment should now be productive of less profit on the invoice than formerly, the cause is less to be traced in the increase of the prime cost of the goods paid to the manufacturers in India, than in the great growth of the trade of foreign nations, which has raised a competition against the Company in the sale of Indian commodities in all the markets of Europe.

This suggests an idea of monopoly to which I am not averse; because, if it be pursued, it will affect only our European rivals, without prejudicing the commerce of our territories. But it must be pursued not by ^{ric}restr~~ic~~tions, but by counteraction. To find what means are in our power for this purpose, let us return to those circumstances

stances which I have in another place enumerated as the causes of the growth of the trade of the Danes, and I might have added the Portuguese. These I have said are, first, the advantage they possessed during the late war of navigating their ships in safety, whilst our own and those of the French and Dutch were exposed to great risk. Secondly; the facility with which they procured credit in India, even from the subjects of Great-Britain.

The former of these causes ceased with the war: the latter still exists; and it is there that we must apply our means of counteraction. The Danish and Portuguese vessels that have lately come to India, are mostly fitted out by private adventurers: no great capital is necessary,
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and little credit is required in Europe for their outfit, as their cargoes outward-bound consist only of provisions and bulky articles, which are procured at a small cost. When they arrive in Bengal, the avidity with which individuals embrace every opportunity of remitting their fortunes to Europe, enables them easily to procure money or credit for the purchase of a valuable investment. They grant bills or bonds payable in Europe at a distant period. They then carry home their cargoes, and convert them into money, in time to discharge their bills or bonds when they become due. All this operation, therefore, is chiefly carried on by means of the money or credit which they meet with in Bengal. But the profit on the voyage is their own; and their nation

nation gains in the increase of its navigation and wealth.

Let us now suppose that the English Company were to open their treasury, and extend their investment in proportion to the sums which they could procure in India for bills on Europe. I believe it is certain, that if such a measure had the sanction of the Company at home, and the terms were equal, few British subjects would hesitate to lend them their money in preference to foreigners. The consequence would be, that the Danes, Portuguese, and others, would be obliged to bring from Europe the amount necessary to purchase an Indian investment, which would require a capital that few private adventurers are possessed of, and would
occasion

occasion a long outlay of money, and consequently a heavy loss of interest. With these disadvantages entirely on their side, they would have to enter into competition with the English Company, who, from having established factories under the direction of servants accustomed to deal with the manufacturers, and from being able to make their advances long before the season for receiving and shipping the goods, (without availing themselves of the influence which they might derive from their being in possession of the government of the country) ought to have a decided advantage over all foreigners, and particularly over private adventurers, whose stay is limited to a few months, in providing their investments both of the best quality and at the cheapest rates.

If,

If, nevertheless, foreign nations should still find it for their advantage to pursue this commerce, they must then be obliged to carry it on by means of gold and silver brought from Europe; for there is scarcely any thing else which would answer; the consumption of European articles in Bengal being confined chiefly to the European inhabitants, and of a very limited extent; and such an important addition to the circulation of money would be attended with the most beneficial effects in enriching the provinces under the Company's government. Nor need the Company grudge the high prices which a competition under such circumstances might occasion in the first cost of their goods. They would still receive the greatest part of their investment virtually for nothing;

not as the return of commerce, but as a tribute. The sources from which this tribute flow would increase with the prosperity of their territories; the tribute itself would be rendered more valuable; and their profits on that part of their investment which they procured for bills on Europe, would at least be equal to those which induce foreign nations to persist in the competition.

It appears plain therefore, from what I have said, that if the Company were to open their cash for bills on Europe, one of these consequences would ensue: either their provinces would be enriched by the bullion and specie imported by foreigners, or the foreigners must desist from the trade, and leave to the Company not only a *national* but an *universal* monopoly; from which the nation, not less than the Com-

pany, would be gainers in proportion as England would become the emporium for supplying all the other countries of Europe with the productions and manufactures of India.

I shall now hasten to bring this, perhaps already too tedious, performance to its close, having lengthened it greatly beyond my first expectations, and with much apparent deviation from its professed object. As the labour of perusal will be increased by both these causes, the readers of it, whoever they may be, for I have written it without any knowledge of its destination, will have a right to be informed of the purposes for which this trouble was exacted from them; and this satisfaction I hope they will receive in the following apology.

My original design, as I have stated it in the commencement, was, *first*, to assign the motive for my resignation of the service; *secondly*, to detail the means which I took to surrender my place in it unincumbered to my successor, and unsusceptible of any ill consequence to the joint administration; and *thirdly*, to deliver a summary review of the actual state in which I left the government of Bengal in its distinct departments at the time of my separation from it.

The three subjects, though thus discriminated, will be found on examination to bear so close a relation to each other, that it was not well practicable to treat of the first without entering into as large a discussion of the other two, both successively,
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and necessarily following it. It is in effect the recapitulation of the transactions of three months winding up an administration of thirteen years. In the former, it was not more my study to clear off the weight of incumbent business, than to fix the direction of it by the principles to which I had invariably, from the commencement of my office, endeavoured to conform it. It was not possible to explain the circumstances to which this rule was applied without assuming a yet wider circumference, including both the application of recent measures to the construction of those which were connected with them in a remote period of time; the vindication of the latter from the imputation of error, inconsistency, or misconduct; and even the declaration of what I

would have preferably done, if left to the free exercise of my judgment in cases in which I had no present option but the choice of proffered evils.

Indeed the nature of my subject, considered as a vindication, required a larger and more elaborate detail than similar recitals of facts and events which pass nearer the sphere of common observation. At such a distance, any charge may be successfully hazarded against the devoted victim of a party, and more especially of one possessing the reverence of names which stand too high for imputation, and holding the trust of compiling materials for the formation of opinions and acts of the first national authority. Against such antagonists the voice of truth itself, so remote,

mote, will scarce be heard; and if heard, will make no impression on minds under the influence of prejudice, or determined by worse motives against the acknowledgement of conviction. I should not have been surpris'd if to the accusations of rapacity, corruption, oppression, thirst of blood, and other enormities with which the clamour of privileged calumny has assailed my character, it had borrowed the aid of contempt to swell the foul catalogue with gambling, drunkenness, and every species of profligacy that could debase the human mind. Equal credit would have been given to the aspersions by those who on no better grounds have given it, or have affected to give it, to other tales of equal falsehood and malignity; and probably such would have been my lot, had I

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not possessed, in the incomparable vigilance and ability of my declared agent in England, and other powerful and well-informed minds, such instruments of repulsion as might discourage the attempt by the certainty of its recoiling with shame on the assailants.

But however diffuse these sheets may be beyond the limits which candour may be willing to allow me, I yet hope and believe that they will be found to contain both new and useful information. I know not whether I may ascribe these qualities to the following reflections, which I have purposely reserved for the close.

From the vehemence and perseverance with which my immediate superiors laboured

boured during the course of ten years to weaken my authority, to destroy my influence, and to embarrass all my measures, at a time when their affairs required the most powerful exertions to sustain them, which I alone by my office could direct; and from the great importance which they have ascribed to points, some of which had no relation to their interests, and others were even repugnant to them; I much fear, that it is not understood as it ought to be, how near the Company's existence has in many ^{instances} ~~cases~~ vibrated to the edge of perdition, and that it has been at all times suspended by a thread so fine, that the touch of chance might break, or the breath of opinion dissolve it: and instantaneous will be its fall whenever it shall happen. May GOD in his mercy long avert it!

To

To say why a dominion held by a delegated and fettered power over a region exceeding the dimensions of the parent state, and removed from it at a distance equal in its circuit to two-thirds of the earth's circumference, is at all times liable to be wrested from it, would be a waste of argument, nor would it be prudent to aggravate the portrait by displaying all the artificial evils by which a fabric, so irregular even in its best construction, is loosened and debilitated.

It is true, that it has hitherto stood unimpaired, because it has met with no domestic stroke of fortune to agitate and try its texture, one ^{late} instance perhaps excepted, which was too suddenly repelled to produce the effect which might have attended
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a longer duration of it. And it may yet stand for some years to come, though still liable to the same insecurity. The remedy is easy and simple; but I fear it will be vain to propose it; because, if it is not (as I believe it is not) contrary to the principles of our national constitution, it will at least meet with very formidable obstacles in the prejudices which arise out of it.

I affirm, as a point incontestable, that the administration of the British Government in Bengal, distant as it is from the reach of more than general instruction from the source of its authority, and liable to daily contingencies, which require both instant decision, and a consistency of system, cannot be ruled by a body of men variable in their succession, discordant in
 opinion,

opinion, each jealous of his colleagues, and all united in common interest against their ostensible leader. Its powers are such, that if directed by a firm and steady hand, they may be rendered equal to any given plan of operation; but may prove the very instruments of its destruction, if they are left in the loose charge of unconnected individuals, whose interests, passions, or caprices, may employ them in mutual contests, and a scramble for superiority.

It has been my lot to derive, from long possession and casual influence, advantages which have overcome the worst effects of my own deficiencies; and it has been one maxim of my conduct (may I be pardoned for the apparent boast, but necessary allusion)

sion) to do what I knew was requisite to the public safety, though I should doom my life to legal forfeiture, or my name to infamy. I could verify this by instances in which by an implicit submission to positive duty and express orders, the Company's possessions might have been devoted to desolation, and even its existence annihilated. I hazarded an opposite conduct; and whatever may have been its effects, I have at least had the happiness to see one portion of the British dominion in India rise from the lowest state of degradation; another rescued from imminent subjection; and that which gives life to the whole, enjoying the blessings of peace and internal security, while every other part of the general empire was oppressed by war, or the calamities of intestine discord.

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I may not expatiate on such a discussion. I mention it only to shew, that if the British power in India yet holds a reprieve from ruin, it derives its preservation from causes which are independant of its constitution; and that it might have been lost if left to that alone for its protection.

The inference to be drawn from these premises is, that whatever form of government may yet be established for these provinces, whether its controul be extended to the other presidencies, or confined to its own demesnes; it is necessary that the Governor, or first executive member, should possess a power absolute and complete within himself, and independant of actual controul. His character, which requires little more than two qualifications,

tions, an inflexible integrity, and a judgment unfusceptible of the bias of foreign suggestion, should be previously ascertained, and its consistency assured by the pledge of his life for the faithful discharge of so great a trust.

I have said that this is an unpopular doctrine, and liable to be rejected, as opposite to our domestick constitution; but it derives its source even from the constitution itself, which requires, in every remote member of the general state, a construction of government not merely different from its own, but that from which its own nature is most abhorrent. The negligences, vices, and crimes, of a political agent, are all totally foreign in their qualities from those offences in common life which the
law

law defines, and against which it has made a provision in the degrees of punishment denounced against the commission of them. The factious or corrupt member of a council, may weaken every useful spring of government; may embarrass, obstruct, and thwart all its measures; may stop the execution of its daily official business; may occasionally employ its powers for the most pernicious purposes, and still keep clear of legal condemnation. He may even avail himself of the letter of prescribed orders in such a manner, either by a strained or ill-timed obedience, as to defeat their intention, or pervert them to effects the most opposite to it.

The ^{real} character of such a man will not escape the observation of those who live within

within the sphere of his agency; and to them the motives of all his actions will be known on grounds of the strongest internal conviction, though incapable of direct and positive evidence. Yet it is on positive evidence only that his offences can be proved; nor even when proved can they operate to his punishment, unless they fall within the prohibition of some positive law; although the lives of multitudes may have been destroyed, and the safety and honour of the state itself endangered, by the perpetration of them. But it is only by a process of law, and by a breach of some written statute, or known law of the land, that the subject of a free state can be condemned. A constitution formed of a governor, with limited powers, and a council, may subsist under an arbitrary

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monarch

monarch directing it, and be better conducted than that of a governor alone; but it cannot be too simple and unrestrained for the rule of a province so remote of a free state like that of Great-Britain.

To obviate misconceptions, I think it proper to mention, that I allude only to such powers as appertain to the nature of government; not to such as might affect the lives, persons, or property, of individuals living within its authority, but under the protection of the law of England. In all cases which do not necessarily fall within the cognizance of those who have the immediate charge of the state, the jurisdiction of the governor ought to be no more than that of any other civil magistrate, or justice of the peace. It is unnecessary

unnecessary in this place to treat of the mode of succession, or the other dependant arrangements of the general system.

Though the state of kingdoms is liable to dissolution from causes as mortal as those which intercept the course of human life; and though my opinion of the distempers which threaten that of the British empire in Bengal, may obtain credit from all who read it, yet I fear that few will yield to its impression. Like the stroke of death, which every man knows will come, but no man acts as if he felt the conviction which he avows and thinks he feels, the very magnitude of the catastrophe may in this case blunt the sense of those to whom it is visibly apparent.

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I expect this effect, and foresee that I may expose myself to much obloquy by recommending so new and unpopular a system. Yet these considerations have not deterred me from endeavouring to render this last service to my country, and to my ever-respected constituents; being assured, if successful, of my reward in the conscious applause of my own mind brightening the decline of my existence; and of this consolation in the dreaded reverse, that no means within the compass of my ability had been left untried to prevent it.



F I N I S.

